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ABSTRACT

This document reports on two congressional hearings to review the implementation, administration, and structure of the new GI Bill, contained in Public Law 98-525. Purpose is to evaluate the early stages of implementation and to determine changes that may be needed to maximize the GI Bill's effectiveness. Testimony includes statements and prepared statements from U.S. Representatives and individuals representing the U.S. Coast Guard, Department of Defense, U.S. Army, Air Force, Navy, National Association of Veterans Program Administrators, Marine Corps, Aircraft Owners and Pilots Association, American Association for Counseling and Development, Non Commissioned Officers Association, Veterans' Administration, National Guard Bureau, National Guard Association, and National Home Study Council. Material submitted for the record includes written committee questions and their responses. (YLB)

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OVERSIGHT HEARINGS ON THE NEW GI BILL

HEARINGS

BEFORE THE

SUBCOMMITTEE ON
EDUCATION, TRAINING, AND EMPLOYMENT

OF THE

COMMITTEE ON VETERANS' AFFAIRS
HOUSE OF REPRESENTATIVES

NINETY-NINTH CONGRESS

FIRST SESSION

NOVEMBER 19 AND 21, 1985

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OVERSIGHT HEARINGS ON THE NEW GI BILL

TUESDAY, NOVEMBER 19, 1985

House of Representatives,
Subcommittee on Education, Training
and Employment,
Committee on Veterans' Affairs,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10 a.m., in room 334, Cannon House Office Building, Hon. Thomas A. Daschle [chairman of the subcommittee] presiding.

Present: Representatives Daschle, Montgomery, Evans, McEwen and Solomon.

Mr. Daschle. The meeting of the subcommittee will come to order.

The ranking member, Mr. McEwen, is currently attending another meeting of a committee on which he serves, but will be here shortly. He has a statement that he wishes to submit for the record, and without objection, that will be submitted at this point.

[The prepared statement of Mr. McEwen appears on p. 272.]

OPENING STATEMENT OF CHAIRMAN DASCHLE

Mr. Daschle. I want to welcome all of you to the first of two hearings scheduled this session by the Subcommittee on Education, Training and Employment to review the implementation, administration and structure of the New GI Bill, contained in Public Law 98-525.

We also hope to receive preliminary information regarding the impact of this new educational assistance program on the recruiting efforts of the Armed Forces.

When Congress enacted the New GI Bill last year, we established an important cost-effective program that will help keep our military strong and stable, will enrich the lives of our service members, and will benefit our country as a whole.

Already, statistics demonstrate that the New GI Bill can be considered a success. Over 70 percent of the eligible Army recruits are participating in the program provided for the Active Duty Force, and I understand that well over 6,000 members of the National Guard and Selected Reserve are already attending school under the program designed for those components of our Armed Forces.

The concept of a New GI Bill was reviewed as thoroughly as any issue ever considered by the Congress. Over a period of 4 years, more than 20 hearings were held on this program by three committees of the Congress, and thousands of pages of testimony were received from more than 200 witnesses.

Clearly, a great deal of thought went into the development of this educational assistance program. We on this committee are proud of the New GI Bill and want to be certain that it is implemented as intended by the Congress.

These 2 days of hearings provide us the opportunity to evaluate the early stages of implementation and to determine what changes may be needed to maximize the GI Bill's effectiveness.

We have a great many witnesses today, and we want to have the opportunity to question all of them. So I would appreciate it if all of those who are testifying today would limit their oral testimony to 5 minutes. The entire written statements, of course, will be included in the hearing record.

We are delighted to have as our first witness this morning, the chairman of the full Veterans' Affairs Committee. Before I call on him, I'd like to call on Mr. Solomon, for any comments that he might have.

OPENING STATEMENT OF HON. GERALD B.H. SOLOMON

Mr. Solomon. Thank you very much, Mr. Chairman.

Let me also welcome our committee chairman. I used to be the ranking Republican on this subcommittee, and it is a pleasure to be back here again this morning.

Mr. Chairman, this New GI Bill enjoyed broad bipartisan support when it passed, and this hearing which you called today gives us the opportunity to take a look at how the program is starting up.

And from this hearing, we can identify particular aspects of the program which ought to be monitored for possible modification and/or fine-tuning.

The written witness statements indicate the New GI Bill program is off to a promising start, and we certainly hope so. Certainly the concept is a proven one, and it should only be a question of time and good administration for the New GI Bill to rise to the levels of success which its predecessors have enjoyed.

And we certainly do welcome the full committee chairman here. Thank you.

Mr. Daschle. Thank you.

I don't think there is anyone in the Congress who has had more to do with the development of the New GI Bill, and who has taken a more active interest in education for our servicemen than the chairman of this committee.

He has been an incredible advocate. He has been one who has pursued this as diligently and effectively as anyone who has ever attempted to reform and improve a program that has already benefited millions and millions of people.

It is because of his commitment and his interest in this issue that he is the leading witness in this hearing, and, although I rarely make exceptions to the 5-minute rule, there is no one who more greatly deserves an exception to that rule than our chairman. He is entitled, and is very welcome, and is encouraged to present his testimony to whatever length may be necessary to give this subcommittee the benefit of his thinking as to the progress thus far.

I welcome our full committee chairman and good friend.

STATEMENT OF HON. G. V. (SONNY) MONTGOMERY, CHAIRMAN, FULL COMMITTEE ON VETERANS' AFFAIRS

Mr. MONTGOMERY. Thank you very much, Mr. Chairman, Mr. Solomon, for those very warm and kind remarks made by both of you. I appreciate you starting this meeting on time. I will try to get very close to the 5-minute rule. I think that is important, and it is important that we hear from the other witnesses.

Mr. Chairman, as you know, I am a total true believer in the New GI Bill. Many of us started working on it 4 years ago, and we introduced the bill, H.R. 1400, back in 1981. It was to establish the New GI Bill for the All-Volunteer Forces.

I really believe that the enactment of this bill is one of the wisest things the Congress has ever done. Weapons and equipment procurements are necessary, Mr. Chairman, but nothing is more critical and important than people.

We had the commanders of all our forces around the world come before our House Armed Services Committee only last Thursday morning, all the commanders around the world, and what was surprising, they didn't ask for more equipment. They asked for qualified personnel to fulfill the missions they have around the world.

And we certainly think that the GI Bill fits right into this request.

I would like to repeat a little history of the Armed Forces. Back in the late 1970's and early 1980's, we saw what could happen to the Armed Forces when the best possible young people chose not to come into the military.

And testifying in this room back in 1981, the then-Chief of the Army, General Meyer, testified before the subcommittee, and in his statement he said, despite all you have heard, the biggest single deterrent to the current readiness of the Army is turbulence.

And General Meyer went on to explain what he meant about turbulence by saying that a very large number of recruits were ill-suited for military service. And he concluded in his statement that he felt what the Army needed most for improved readiness was a New GI Bill that supports the active and the reserves as well as the first-termers.

We listened to General Meyer, and we gave him the GI Bill, and he and dozens of others told us that the Armed Forces needed to compete for the bright young men and women who we want serving in the military.

And, Mr. Chairman, there were a few who opposed, and said we didn't need this program. Fortunately, that view did not prevail, and on July 1, as you mentioned, the New GI Bill went into effect.

The turbulence our services experienced a few years ago, in my opinion, will not happen again, even though we are now reaching a shrinkage of manpower available to go into the service, and good jobs are becoming more plentiful.

We think because of the GI Bill, we will not have that turbulence that we had back in the early eighties and late 1970's, that the GI Bill will attract these qualified people into the service.

As an example, Mr. Chairman, several weeks ago, about four members of this Committee on Armed Services and Veterans' Affairs went over to the Baltimore Military Processing Station, that is where the recruits come in, and where they are given physicals, and where they are given mental tests.

We went around to the processing station, it covers four States in this area, and we talked to those recruits. Every one of them—and I was a little concerned about it—99 to 100 percent told us the reason they had joined the service was because of the educational benefits that they can derive from the New GI Bill.

So it is here. It is a success now, and we ought to enjoy the success, and we shouldn't let anything happen to this bill. It has been a lot of hard work by this committee and the House Armed Services Committee.

But we ought to take a good look at it, and that is why you need this hearing this morning, to find out what changes might be necessary. But the Montgomery GI Bill is in place, and it is working.

Now, Mr. Chairman, later this morning, General Elton, Deputy Chief of Staff for Personnel, U.S. Army, will tell you the positive impact the New GI Bill is having on Army recruitment. He will tell you that the Army enlisted 17 percent more high-quality males during the first quarter following enactment of the New GI Bill than it did in fiscal year 1984.

He will also tell you that the Army enlisted 1500 additional young people during the same period in the top two test categories. And also, in his statement, according to General Elton, the Army believes that the New GI Bill influenced the 130-percent increase in 6-year quality male enlistments during the fourth quarter of fiscal year 1985.

So, Mr. Chairman, thank you for having this hearing. Let me touch on another area that will come up in just a few minutes.

You and I both learned late yesterday afternoon that the Office of Management and Budget was making some of the services change some of their testimony before this committee. This came as a complete shock to me. This is an oversight hearing, this is not movement of legislation.

I became so concerned that I did call up Dr. Al Keil, who handles defense matters for the OMB, and he works for the OMB, and I asked him why did they ask that the testimony be changed by witnesses this morning.

This is a test program, Mr. Chairman and members of the committee. We have got to find out how the bill is working, what should be changed, what should not be changed, and we have got to get the complete information from our witnesses.

So this is a problem. Dr. Keil said that basically, they had not changed the thrust of the testimony from our witnesses.

He told me that they were concerned about the higher cost of the New GI Bill, but I pointed out that other factors had to be brought into the cost, that we had better retention now, we have a better quality of people, and we will have at a later date less recruiters that will have to be out there, we will save some funding.

He was comparing it with the VEAP. He said that the OMB—and I am not sure about this—was not opposing the New GI Bill. He told me the reasons that legislative suggestions were knocked out of the testimony of the witnesses that we will hear this morning is because they had not taken a position on this legislation.

I don't have any particular problems with that, but I do have problems of where they knock out saying how good the New GI Bill was, how you compare it with the VEAP.

This is a very serious situation, Mr. Chairman, that the OMB can come in here 12 to 14 hours before we hear from these witnesses, and ask that the testimony be changed.

Thank you for this opportunity, and I think this will be very helpful and a very interesting hearing this morning.

[The prepared statement of Chairman Montgomery appears on p. 99.]

Mr. **Daschle**. Mr. Chairman, I want to thank you for your testimony. You have set the stage this morning with your overview of the purpose of the legislation.

I have to say that your final remarks are the most disconcerting. For the life of me, I can't understand why the OMB would distort, and I use that word intentionally, the testimony of the Army, the Navy, and the Air Force, and I think it is absolutely inexcusable. If need be, we may have to call the OMB before the subcommittee to ask them their reasons for providing the Air Force and the other services with the censored version of the testimony that they are going to present this morning.

I don't think that is right, and I applaud you for citing this. I certainly hope that we can get a fair analysis. Certainly I don't ask the services to provide an advocacy of the program.

As you say, this is a test program. But to keep the statistical information that, to me, is vital for us to make an analysis of the process of the program is inexcusable. I hope that as a result of the questions we ask. We can flush out this information and have a good understanding of the value of the program.

Mr. **Montgomery**. Mr. Chairman, I think it would be proper at this time, and I ask without objection, that the testimony that we did receive before it was revised by the OMB and changes were made, that that first testimony that we got from the Army, the Air Force, the Navy, the Marines and the Coast Guard, that that testimony be put in the record, so we now can compare that testimony with the testimony that will be given here this morning.

Mr. **Daschle**. I think that is an excellent suggestion. Without objection, we will provide the original text of the statements presented to the subcommittee as part of the official record.

I would like to ask of my colleagues if they have any questions of the chairman at this time.

Mr. **McEwen**. Thank you, Mr. Chairman, and I would join in my expression of appreciation of the leadership that our chairman extends in not only this area, but many areas. I remember upon first coming to Congress and watching our chairman of the full committee receive his congressional award from the Veterans of Foreign Wars, and then go from agency to agency with the respect in which he is held, and I certainly join in that. This is one topic in which I believe we should continue to follow his leadership.

Mr. Chairman, I would make one final observation, if I could. Of course I have only served in Congress during the 1980's, having come in 1980, but the briefings that I have received from the Armed services always begin with the statement that our fighting men are the finest that we have ever had in my 34 years, or my 26 years, or my 22 years in the military, depending upon who the briefer is.

Was that always the case? Is that the way that briefings are always begun, or is that truly a 1980's phenomenon?

Mr. Montgomery. Thanks for that question.

Bob, as I quoted General Meyer, there was some turbulence in the late seventies and early eighties. We were getting in a number of persons that came into the service and we had to discharge 30 to 40 percent of them, and we still have a large discharge rate of those that do not complete their first enlistment.

When we had hearings on the New GI Bill, and we had counselors come in and testify before us from Virginia, from Maryland, and from the Washington, D.C. area, and we had them come back, because they made the statement that you are getting high school graduates, but you are not getting the top 50 percent of those graduates, you are not getting as much leadership as you should be getting into the service.

And so, this was one of the reasons that we pushed for the New GI Bill, no question about it. We are going to get a better quality. We do have good quality in the service. But we were told we are not getting the top 50 percent, and we are not getting the top leadership that come out of these high school graduating classes, because you are competing with the schools all over the country that reach in and get these students.

But under the New GI Bill, we are going to get that quality, and we are going to improve the quality. I think basically that we are getting very good men and women. We are not getting a cross-section of Americans. I don't know whether you have to do that or not under the All-Volunteer Service.

Quite frankly, we are getting the lower-income families, but I don't know whether that is bad or good, but we are not getting a cross-section of Americans into the service, under the All-Volunteer System.

I think the New GI Bill will improve that situation. We are going to attract more middle-class Americans into the service.

Mr. McEwen. Thank you.

Mr. Daschle. Mr. Solomon?

Mr. Solomon. Mr. Chairman, let me just briefly again commend the chairman, and I certainly concur with everything he said. Just following up on your question, Bob.

You know, back in the late seventies, when I first came to Congress, being a former Marine, I visited most of the Marine bases in this country, and I was almost appalled to see what had happened to the Marine Corps at that time.

And it wasn't just the Marine Corps, it was every branch of the service, and it seemed like what we were getting at that time were just people who were looking for jobs. I mean, they were coming from the ghettos or from the inner cores of the cities, and we were not getting a cross-section of America.

And thank goodness that this committee and the Armed Services Committee, which Sonny serves on, has seen fit to upgrade the benefits all along the line. We are getting maybe not a true cross-section of all America, but we certainly have upgraded it, and if you visit those same Marine bases today or any other base, you can see all the difference in the world. Therefore, this New GI Bill that we have enacted into law is a case where we are spending money to save money, and we are also spending money to save America.

I think I am a little appalled at what I have just heard here, Sonny, what you have just mentioned, and I hope we will call the OMB in, because I don't want this to happen again. I certainly would look forward to working with the committee and we will get to the bottom of it.

And I am going to have to apologize, Mr. Chairman, I am on the Foreign Affairs Committee, too, and we have got a terribly important hearing right now going on about counter-terrorism in Central America. I am going to have to get over there.

But I will be back and we will certainly get to the bottom of it. Thank you, Sonny.

Mr. **Daschle**. Thanks, Jerry.

Thank you, Mr. Chairman. We certainly invite you to participate with us, if your time will allow.

Mr. **Montgomery**. I would like to.

Mr. **Daschle**. Great.

Mr. **Daschle**. Our second witness is Lt. Gen. Edgar Chavarrie. General Chavarrie is the Deputy Assistant Secretary of Defense for Military Personnel Policy and Force Management.

General Chavarrie, we are delighted you are with us this morning. We invite you to proceed any way you so choose.

STATEMENT OF LT. GEN. EDGAR CHAVARRIE, DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR MILITARY PERSONNEL AND FORCE MANAGEMENT

General **Chavarrie**. Thank you very much, Mr. Chairman. I will adhere as closely as I can. I have a fairly short statement, and I will just go through it and summarize if I may.

I am the Deputy Assistant Secretary of Defense for Military Manpower and Personnel Policy, and I am happy to be here to discuss the impact of the New GI Bill. May I say, sir, at the outset, that the Department of Defense is four-square behind the New GI Bill.

The test bill that the Congress has passed, there isn't any question—as a matter of fact, I read a letter just this morning, reread a letter that the Secretary of Defense sent to Chairman Montgomery on this subject of the New GI Bill, and he added in his own words, "I am very pleased at the success that we have had thus far on the New GI Bill."

So may I just say the Department of Defense unequivocally supports the New GI Bill, and certainly the test program between now and 1988. We implemented the bill July 1, as you know, and over the period of this fiscal year, from 1985 to 1986, our joint recruiting advertising program will spend about $3 million to promote the New GI Bill.

The campaign will employ national network television, direct mail and posters, letters to parents, to high school seniors, and to schools. You may have seen some of the television commercials up until now. We had 5 weeks of it in the summer, we will have 12 weeks of it in the fall, only supporting the New GI Bill.

In general, for about 40 years veterans have been eligible for Federal education assistance under a variety of programs. They have been authorized for a number of reasons to provide service members with compensation for low pay in the past and frequently involuntary service to their country, to make service in the Armed Forces more attractive, to provide education for those who might not otherwise afford it, and to provide a period of readjustment for those whose education was interrupted by service in the Armed Forces, as at the end of World War II.

Now, prior to 1981 the extent to which education benefits serve as a recruiting incentive had never been truly and fully understood, so the Congress mandated a study. The 1981 program yielded some important results, many of which we knew intuitively.

Nevertheless, we needed a study to show that for the first time, the real evidence was that education benefits, if sufficiently generous, can attract high-quality recruits.

A separate study was ordered by CBO, the Congressional Budget Office, in March. About 6 months later, it validated the results of the education assistance test program, and pointed out that the enlistment of high school graduates with above-average aptitude test scores increased with more generous education benefits.

As I say, that was intuitive on our part. We knew that was true, and I am sure every thoughtful person knew it was true, but we needed a study.

Now, we think that the New GI Bill has the potential to be a better recruiting incentive than VEAP because of its higher benefit and lower contribution levels. So, I think the services will tell you how successful, with just 4 and one-half months, we have been with the New GI Bill. There isn't any question about its success, and we believe the potential for more success is coming.

Now, we see one problem inherent in the structure of the new program as it exists now that we believe could detract as a recruiting incentive. We think that perhaps a change is needed in the law to provide refunds under certain circumstances to service members who are excluded from receiving benefits.

We think that a change like that would improve the equity of the program and ease the administration of it.

As you know, as the law now reads, members are excluded from receiving benefits, even though they have made a non-refundable contribution when they don't earn an honorable discharge under certain limitations, finish at least 30 months of a 36-month enlistment or 20 months of a 24-month enlistment, or don't earn a high school diploma by the end of their first enlistment.

The situation, we think, requires a revision. We are currently preparing some specific proposals for your review to provide for refunds under certain situations so that members may derive the benefits from what they pay.

Now, we say educational benefits play an important role, but alone, they are not sufficient to meet future defense manpower requirements. Maintaining fair and competitive pay and benefits, we think, plus continued emphasis on quality of life, and preserving the military service as an honored and rewarding profession, have been responsible, we believe, in the main for our past recruiting success.

So, we think that the New GI Bill or educational benefits in general is one of several factors that make good, high-quality people come in, both officers and enlisted men. No single incentive or program can or should meet all the recruiting needs of the services.

We will certainly monitor carefully the effects of the New GI Bill to see what the impacts are with respect to recruiting and retention, but also with respect to where it sits in terms of its priority with the other factors, fair and competitive pay and benefits, and a good quality of life are very important.

May I just, in ending, sir, say one word about transferability. There is little doubt that transferability, the right to transfer these benefits earned under the New GI Bill, would be a very popular additional feature to the program, to an already successful program.

Overall retention, although declining somewhat from 1985, remains very good, both first-term and career. There are some retention problems in selected communities, such as in the Navy, and the nuclear engineering skills and certainly in carrier pilots.

But we think that targeted incentives, that is, re-enlistment bonuses for enlisted men, the AOCP, the flying pay for fliers, et cetera, are retention tools which are very important as well.

And because of the funding pressures that we are faced with, we asked the military departments for their views on transferability. In general, we believe transferability would be useful; however, I think none of us are anxious to have transferability compete for funding with other recruiting and retention tools, such as enlistment and retention bonuses.

We spend a lot of money on re-enlistment bonuses, particularly in the Navy Department. We have to examine very carefully the criteria that we use as to where we put our priorities with respect to the factors that we think keep good people in.

We are not against it, but we think with just 4 and one-half months under our belts, that we should still not unequivocally state, here is what we want to do with respect to transferability, and I am sure there will be other subjects.

We made some off-the-wall estimates, because I thought maybe you may be asking questions about how much transferability may cost, and we certainly would never bet more than about 50 cents on it, but we estimated in a steady-state situation, it would be about $100 million a year for that one item of transferability. We can talk in a moment about how we estimated that figure, but that is a very loose kind of estimate.

And as I say, the confidence level in that number is not very high; nevertheless, it is sort of an estimate that we made.

In conclusion, and I apologize for taking a few more minutes, sir, as we monitor the New GI Bill, we will evaluate its role in the total benefits package, and will certainly continue to assess the transferability provision. Its value as a retention tool depends upon how many members would participate in the basic program; the cost is dependent on that.

Our current assessment is that after 4 and one-half months it would be premature to draw some unequivocal conclusions regarding the need right now for transferability. Time will certainly tell us what the correct course should be.

We recommend, then, as far as that one item is concerned, that we continue to look at it and not make any final judgments at this time.

I apologize again, sir, for taking the time. That concludes a summary of my statement.

[The prepared statement of General Chavarrie appears on p. 113.]

Mr. DASCHLE. Thank you, General Chavarrie.

Mr. Chairman, do you have a question?

Mr. MONTGOMERY. Thank you, Mr. Chairman.

I do have several areas I would like to cover. Thank you very much, General, for that very forthright statement. I would like to commend the DOD itself, Secretary Weinberger and you, sir, and others, have been supportive since we have gotten the New GI Bill on board. I think probably you had some problems with it earlier, but your Department is cooperating with us, and we appreciate that.

And, Mr. Chairman, I did get a personal note from the Secretary of Defense, and also the Under Secretary of Defense sent a memorandum, Mr. Taft sent a memorandum to all the Secretaries of the different services asking them to move ahead with the New GI Bill and make every effort to implement it and put it into effect.

So, we don't have any problems from your shop, and we appreciate that.

A couple of questions, and I am glad that you are able to bring it out. I really want to talk to General Elton about it, but it was taken out of his statement, by OMB, but I think our committee, Mr. Chairman, should look into the feasibility of the $100 for 12 months, maybe you could spread it $50 for 24 months.

Actually, the House did not put the $100 in that would be taken out of the soldiers' salary for the New GI Bill, that was put in by the Senate. But since it is in there, we have got to take a good, hard look at that area, about the opting in, opting out, and what time limits, so it is a lot to be done in that area. And that is why we need these hearings.

You mention, Mr. Secretary, about the cost of the program compared to re-enlistment bonuses and so forth. Do you have the figures on re-enlistment bonuses that were spent for fiscal year 1984 for the services?

General CHAVARRIE. Sir, I have it, I can get you 1984, I have 1985 and an estimate for 1986 for re-enlistment bonuses.

Mr. MONTGOMERY. Just give it to us.

General CHAVARRIE. It is $496 million.

Mr. MONTGOMERY. What?

General CHAVARRIE. $496 million for re-enlistment bonuses in 1985.

Mr. MONTGOMERY. That is for all the services?

General CHAVARRIE. For all the services. I have broken it down. The Army's portion of that is $113 million; the Navy is $222 million. So the Navy uses the re-enlistment bonuses more than any of the other services, and the Army uses enlistment bonuses more than any of the other services.

For 1986, then, the estimate is $613 million for re-enlistments. So, for 1985, it is $496 million; for 1986, it is $613 million.

Mr. **Montgomery**. The cost of the New GI Bill, Mr. Chairman, I might have staff correct me on this, but it is not really going to be any heavy cost of the New GI Bill until the 1990's, and then that is—what does that cost?

It is around $700 million if it were fully implemented for everyone in the Armed Forces. So, it is about—it is less than two B-1 bombers to improve education for Americans, make them have a better life and improve the military service. That is the top cost.

General **Chavarrie**. Yes, sir.

Mr. **Montgomery**. In the 1990's. On transferability, we added that—the services suggested that. That really came from the Air Force and the Navy, and that was struck out by the Senate. I think you should continue to look at the transferability clause. It would be expensive.

But if you could keep 100 aviators into the service because of the transferability clause, then it would pay for the whole program.

General **Chavarrie**. Quite right.

Mr. **Montgomery**. It would pay for the whole program by having the transferability clause in, but it should be looked at. I just don't have a good feel for it right now, what we are going to do next year on transferability.

General **Chavarrie**. Yes, sir; we certainly will. Yes, sir.

Mr. **Montgomery**. Thank you, Mr. Chairman.

Mr. **Daschle**. Thank you, Mr. Chairman.

Mr. McEwen?

Mr. **McEwen**. Thank you, Mr. Chairman.

General, to what would you attribute the different rates of participation between the services in the New GI Bill?

General **Chavarrie**. In the New GI Bill?

Mr. **McEwen**. Yes. Any ideas?

General **Chavarrie**. I think, sir, in the past, when those studies were commissioned, in 1981 and 1982, by CBO and the Congress, I think we found that educational benefits are terribly important in recruiting and retaining good people.

We also found that the Army had more of a challenge in the recruiting area than the other services. I think probably that is less true today than it was, certainly, 10, 15 or at least 5 years ago, but the Army can answer that better than I.

But our judgment is that the Army has the more severe challenge in recruiting, and I think the Army's advertising budget is way, way considerably more than the other services, certainly more than our joint advertising program.

So I think it is simply a matter of a tougher challenge for the Army to meet its goals, and I think that is the reason why expenditures are different on the part of each service.

When it comes to the re-enlistment, the differences in re-enlistment bonuses, I think that the retention rates, probably the Navy has the real challenges, because of the long deployments that they have, and particularly the arduous nature of submarine duty.

So I think being the way we are, it needs some sort of incentive. And I think it is just geared to the way the world is, sir.

Mr. McEwen. My final question would have to do with the red light that went up about oversight testimony being censored, and probably you are in the best position to respond to that.

Is there a private somewhere in OMB who determines what Generals say to the oversight committees of the Congress, or how does that work?

General Chavarrie. Well, sir, how it works, and I am certainly at a little lower level than others, but let me just say this: Every time that we testify, because there is inevitably a budget or a resource implication, every time that I have come over, over my years, and everybody that I know, and I can speak for the Office of the Secretary of Defense, is that the OMB reviews our testimony. It is reviewed for security, it is reviewed for accuracy within the Department and security, and then it goes to OMB, and they review it.

And they come back and tell us, "Hey, we think that that sentence ought to be this," or we ought to do that or we ought to do the other, and that is a judgment.

Mr. McEwen. Just so I can get a full understanding, OMB instructs the Department of Defense on questions of security?

General Chavarrie. No, sir. That is within the Department of Defense. Our testimony is reviewed for security and accurateness and substance, because that belongs to us.

Mr. McEwen. I understand.

General Chavarrie. And then the statement is sent to OMB, because of the inevitable resource implications. And OMB makes its judgment, just as it does with all the other Departments in the government as to its role, which is resource implications, and then we—I really can't recall OMB ever saying, you know—to my statement—take that out or put that in; maybe it is done at different levels, but as I recall, and I certainly can't recall everything, but I don't recall them arbitrarily saying take out that statement to me.

That doesn't mean that they have or haven't. But that is the way the process works. It goes there, they review, comes back, and we——

Mr. McEwen. So your statement was reviewed by OMB?

General Chavarrie. Yes, sir.

Mr. McEwen. Was there any deletions or changes?

General Chavarrie. No, I think the only conversations that my staff had with OMB were on the subject of transferability, and OMB's concern was simply the cost, and it was kind of a rhetorical—I guess we can ask it in a rhetorical way here; you say, it looks like we are off to a great start on the New GI Bill, so then you ask yourselves, do you keep adding very nice, popular things to it?

And their view, I presume, and I can't speak for them, but I presume their view is that if it is a very successful program, you have to see what the marginal return is of adding another $100 or $120 million, or whatever the cost is, to the recruiting situation.

So, I think it is probably nothing more than them looking at the fiscal realities and saying, "Hey, I have got to take a look at money."

Mr. McEwen. I appreciate your generous view of it, General, and I can share those thoughts in the area of policy statements and testimony. But in the area of oversight investigations, I can't help but feel that the budget punchers can take a pass when there is no direct legislation before us, and we are just trying to see how well it works.

And quite frankly, I value the opinion of the officers responsible for offering the program more than I do the clairvoyant omnipotence of the employees of OMB. So I thank you very much for your testimony.

Mr. **Daschle**. Do you have any questions, Mr. Evans?

Mr. **Evans**. No.

Mr. **Daschle**. I would like to follow up what I consider to be a very good question by the gentleman from Ohio.

General Chavarrie, do you see a difference between testimony provided for advocacy and information provided for oversight before any committee?

General **Chavarrie**. I am a relatively unsophisticated witness; when Chairman Montgomery mentioned oversight and advocacy, I must tell you in all candor that that was a nuance that I wasn't aware of.

Mr. **Daschle**. How long have you been testifying before committees?

General **Chavarrie**. Oh, 3 years, 4 years. Three years, really. And then intermittently, before that.

Mr. **Daschle**. So in 3-plus years, you haven't learned the difference between coming before a committee and advocating something which may cost money, and informing a committee about what they have already done in order to better evaluate what has already been authorized?

General **Chavarrie**. No, sir, what I am saying is that as far as I am concerned, when I come up to a committee to testify with a statement, it is the position of the Defense Department, if I am in an advocate role, or an information role, or whatever you want to ask me, I answer the question.

The nuance of oversight and advocacy, I must say again, I kind of do the same thing when I come over. They ask me questions, and so I answer the question. The sophistication, and maybe that is not the correct term, it hasn't been part of the way I testify. You ask and I answer.

Mr. **Daschle**. Well, you are a certainly a very loyal member of the Department, and I applaud your loyalty, but I also feel that clearly, there is a difference. I think any witness who takes on the responsibility has also a personal responsibility to provide as clear and as concise an analysis of whatever the subject matter happens to be before the committee, and I think the Department owes us that.

I don't hold the Department of Defense at fault. It is really the OMB that, in a very troubling matter this morning, has, in my opinion, censored testimony that prevents this subcommittee from clearly evaluating whether this program is working.

We are not asking for OMB's decision or advocacy of the program itself. We simply want the best statistical evidence, and the best hands-on evidence that we have available currently, given the very short term of the program thus far. We need information so that we can make judgements with regard to changing the program.

That has been prevented, to a certain extent, this morning, because of the censorship, and I think that is, as I said earlier, inexcusable.

I wanted to read a statement for the record that I think is indicative of the Department of Defense position thus far on the New GI Bill. It was a statement made by William Taft to the Secretaries of the Military Departments, dated just a month ago, October 8th.

I am going to quote for the record.

"With enactment of the New GI Bill, the Congress has not only provided the Department of Defense with an excellent recruiting incentive, but has also provided the Nation's youth with an exceptional educational opportunity.

"The name GI Bill has instant recognition and symbolic value to millions of Americans. The term is synonymous with education, and as such, provides positive reinforcement for the recruitment effort.

"Although our experience with the New GI Bill is limited, this program has the potential, if properly managed"—I emphasize that—"to realize a return for the Department in quality recruitment and increased retention.

"Whether or not the Department realizes such expectations depends upon our commitment. Accordingly, I ask that each of you give this program your personal attention during the next 3 years of its test, to ensure the positive aspects of the program are conveyed to our potential inductees.

"With your support, I am convinced that the Department will realize the benefits the Congress has envisioned when they enacted this legislation.

"The Department of Defense is fortunate to have this program available. I understand the results in the first few months have been positive. We need to continue these efforts during the test period."

Statement by the Deputy Secretary of Defense, William Taft.

I would like to ask of you, General Chavarrie, if you feel that the thrust and the tone of the statement just read has been reflected in the actions by the services thus far?

General **Chavarrie**. The answer to that is an unequivocal "that is absolutely correct." The services couldn't have been more supportive. As a matter of fact, we worked on this letter after Chairman Montgomery came over and we had a nice discussion in which we had all the services present, and we gave him our unqualified support for the New GI Bill.

And as a result of that, is Secretary Taft's letter, telling the Military Departments, support it to the fullest, and I can tell you, we are spending money, and we are spending lots of effort, and the services will tell you the same thing. We have unqualified support for the New GI Bill in the Department of Defense.

Mr. **Daschle**. Your statement makes reference to the need for sufficiently generous educational benefits in attracting high-quality recruits. Is it your determination thus far during this test period that the benefits are sufficiently generous?

General **Chavarrie**. Yes, sir.

Mr. DASCHLE. How do you view the New GI Bill as it compares with the VEAP currently, as an effective recruiting tool? Can you determine which of the two is more effective?

General CHAVARRIE. Yes, sir, I think were we able to go back and get statistics for the first 4 months of the VEAP, I think—and we might just do that—I think you will find the New GI Bill is eminently more successful.

I think up to this point, it has been a resounding success, and I think the Army, the Navy and the Air Force have figures to support that.

Mr. DASCHLE. Last summer, many of us commented about the very effective advertising program that we saw. It was excellent. It was seen, I think, by millions of viewers consistently during the summer months. We were very excited with the kind of aggressive advertising message the Defense Department was undertaking at the time.

I must say, in the last month or so, I haven't seen any television ads. I would like to get your evaluation of the ads, first themselves, and secondly, why has it been that we have not seen the same kind of consistent and aggressive advertising that we saw last summer.

General CHAVARRIE. Sir, that was a conscious effort. We have about $3 million in Defense set aside for the New GI Bill only. $2.9 of that is for national television. And what we did was say, during the summer, right after the New GI Bill was enacted, let's give about 5 weeks very intense GI coverage, and that is what you saw.

And then we thought, let's ease up now during the summer months, and there is a lot of—you probably see on television where they have a lot of recruiting. It is a great place to start, that kind of television commercial.

Then we thought that when fall comes, and they are going to begin very shortly, there will be another 12 weeks of very intensive GI Bill on national television. So what you saw in the summer, you will see 12 weeks beginning now, on through, well, as far as the money will take us.

And our advertising folks tell us that 90 percent of the television households will see that commercial a minimum of seven times, so that is the effort on television.

We have posters now sent to all the high schools. We are spending a couple of hundred thousand dollars for that. We have mailings to 900,000 individuals, seniors, parents, men and women.

So the program is as far as just the Office of the Secretary of Defense is concerned, about $3 million, most of it for television. So you will begin seeing the intensity of the program.

Mr. DASCHLE. That is very well done.

I want to clarify and perhaps take mild exception with a couple of statements you made.

One is in regard to funding. In your testimony, you raise the issue of refunding. You mention that the $1,200 reduction in basic pay of program participants should be refunded.

For the record, I think it is extremely important that we make clear the legislative intent of this legislation, right from the start. It is the view of this committee that the servicemen's pay has been reduced. It is a view of this committee that the contribution is not made, and therefore, it is also the view of this committee that there is not a contribution to be refunded. I would hope that as you analyze the legislation and the authority provided for the Defense Department that that clarification and the insistence upon that legislative history be maintained as you consider the issue of refunding.

Do you have any comments?

General CHAVARRIE. No, sir, not beyond what we said. I think the matter of refunding is kind of a fairness thing.

If somebody opts for the program and doesn't finish it for perhaps a physical reason, maybe he can't hack it for physical reasons, or some other reasons, and he goes out of the military and he has paid $600, then it doesn't sound terribly unreasonable to refund him his $600 for a program that he didn't finish, which was not his fault.

And it is no more complicated than that, sir.

But you are quite right, we will examine it, and time will tell. It could go away. You just never know. If the program is so successful, it becomes noise level stuff and you can forget about it.

But if people make an issue of it, and we are going to have a survey, unfortunately, we don't have the money to do it until 1987, but we are going to do an individual survey that deals very closely with the question of the New GI Bill.

Mr. DASCHLE. Well, I think it is extremely important that as the program progresses, that on issues of refundability, and on issues of transferability that the Defense Department and this committee and the Congress be on exactly the same wavelength for policymaking decisions. We will be watching along with you to determine whether any additional clarification may be necessary with regard to the intent of the legislation.

General CHAVARRIE. Yes, sir, we will work very closely with your staff.

Mr. DASCHLE. Let me ask you, finally on page 5, you talk about the steady-state cost of transferring the basic benefit to be about $110 million per year in today's dollars.

Are you assuming that every beneficiary would provide for transfer——

General CHAVARRIE. No, sir.

Mr. DASCHLE [CONTINUING]. In generating that cost estimate?

General CHAVARRIE. Yes, sir, this is the cost estimate that I said that we don't have a very high confidence in, because we don't have any statistics, but we simply did a very simple-minded thing.

We said, probably people would be interested in transferability. They are not interested in it when they join up, because they are not married, they don't have children, they are worried about next week instead of 15 years from now.

But along about the time they reach a 10-year point, then they begin thinking about perhaps transferability, presuming that they are under the New GI Bill program, and so that is when you begin thinking about it.

Along about perhaps the 14th to the 18th year, you begin thinking very seriously about transferability, because it then becomes terribly important compared to what it was when you are recruited.

So we said to ourselves, let's see about how many people are in the program, and we estimated that, about how many people are going to take at the end of 18 years, how many people would be in the program, we said, and that number is derived from about how many people come in, how many leave, how many are retained in it.

We said that probably 20 percent of the enlisted force would be counted as being able to take advantage of transferability; 30 percent of the officers, estimated about how many that would be; estimates from the actuaries gave us the numbers about recruiting and retention and people leaving for physical reasons, and all sorts of things.

But because we didn't have very many good statistics, we just kind of did a very simple-minded thing and said, the amount is $2,700 a year. If 20 percent of the enlisted men take it, and 30 percent of the officers—and that is where we came up with the money.

I wouldn't put a lot of confidence in that, but we expected a question. So it is kind of off the wall, I must say.

Mr. **Daschle**. Just to make sure I understand, you said 20 percent of the enlisted, 30 percent of the officers——

General **Chavarrie**. Might opt for it.

Mr. **Daschle**. Might opt.

General **Chavarrie**. Yes, sir.

Mr. **Daschle**. And under those circumstances, it would cost $110 million a year.

General **Chavarrie**. Yes, sir.

And we are also making estimates of how many people entered it, of course, in the beginning, how many would have dropped out, and that all deals with the retention rate at the end of the first term, so there are a lot of little factors in the equation, all of which we don't have a lot of terribly high confidence in, because we just don't know.

We will be able to give you that number, I think, at the end of the year, and make some pretty good judgments about it, and it will give you a better feel for it.

Mr. **Daschle**. I think if you would do so, I think we would very much appreciate that.

General **Chavarrie**. We will do it.

Mr. **Daschle**. More specifically. Obviously, anything prior to that time would be helpful.

General **Chavarrie**. Yes, sir.

Mr. **Daschle**. I have no further questions. Does any other member of the subcommittee have questions? If not, General Chavarrie, thank you for your testimony this morning.

General **Chavarrie**. Thank you, sir.

Mr. **Daschle**. Our next group of witnesses will be representatives of the services, Lt. Gen. Robert Elton, the Deputy Chief of Staff for Personnel, U.S. Army; Rear Adm. Benjamin Hacker, the Director of the Total Force Programs and Manpower Division of the U.S. Navy; Maj. Gen. W. S. Harpe, Director of Personnel Programs, for the U.S. Air Force; Brig. Gen. Gail Reals, the Director of Manpower, Plans and Policy Division, U.S. Marine Corps; and Rear Adm. Henry H. Bell, the Chief, Office of Personnel, U.S. Coast Guard.

Perhaps we should have an empty chair for OMB. We have empty testimony, and we may have a full chair from OMB before this hearing is over with.

We want to thank you all for coming this morning, and as you are seated, let me welcome you to our subcommittee. Yours is perhaps the testimony that will best give us the evaluative judgment that we need.

I think we will go from my left to right, and invite you to testify in any way that you see fit, understanding the 5-minute limitation.

General Elton?

STATEMENTS OF LT. GEN. ROBERT M. ELTON, DEPUTY CHIEF OF STAFF FOR PERSONNEL, U.S. ARMY; REAR ADM. BENJAMIN T. HACKER, DIRECTOR OF TOTAL FORCE PROGRAMS AND MANPOWER DIVISION, U.S. NAVY; MAJ. GEN. W. S. HARPE, DIRECTOR OF PERSONNEL PROGRAMS, U.S. AIR FORCE; BRIG. GEN. GAIL M. REALS, DIRECTOR OF MANPOWER, PLANS AND POLICY DIVISION, U.S. MARINE CORPS; AND REAR ADM. HENRY H. BELL, CHIEF, OFFICE OF PERSONNEL, U.S. COAST GUARD

STATEMENT OF LT. GEN. ROBERT M. ELTON

General Elton. Thank you very much, Mr. Chairman. It is a pleasure for me to appear before you all today and to present the Army's story on the New GI Bill.

We have all had an extremely intense year of very concentrated efforts in the recruiting business. Within the Army, we accomplished our fiscal year 1985 quantity and quality mission, and we are pleased with that.

The New GI Bill, in our estimation, enhances our efforts to recruit high-quality young men and women for the active component Army, and we expect the same impact in our reserve components, where we also have quality goals for our recruiters.

The Army considers educational benefits as the incentive which makes the services competitive in the marketplace for today's quality youth. But more than that, these educational benefits are great for America.

We would like to fill the colleges of our country with bright, steely-eyed soldiers finding their future. The conversion from the VEAP, or Veterans' Educational Assistance Program, to the New GI Bill offered to all of the Army leaders a timely challenge, and that was appropriate as this year is the Army's year of leadership.

As a result, we began proactive in-service marketing immediately after the bill was signed last October.

In February, the Army Recruiting Command headquarters sent mobile training teams to the field to train all of our recruiters, and you will have an opportunity to talk with one of those very talented recruiters later on.

We began our national marketing program in March with television, radio, magazine and newspaper advertisements. And our direct mail program followed in April.

Our recruiting publicity items are strong reinforcements to national advertising and serve as invaluable tools for recruiters to use with centers of influence in the civilian community, as well as the candidate for enlistment.

I would like to ask you to look at the blue booklet that I provided to each of you, and if you flip that open, you will see some of the items that we use as supplements to enhance our recruiters efforts as they went about their mission.

First, we have a booklet which talked about the New GI Bill, a camouflage-covered booklet. Then there is a specific beige colored commander's guide for the New GI Bill, in which we specifically pinpointed those requirements for commanders. And then finally, we changed the pocket guide to recruiting for all of our recruiters.

You will see in there also a couple of articles, which you will have an opportunity at some other time to skim through, which talked about how we planted stories in the media and conducted interviews with the civilian media to be sure they understood precisely what it was that we were trying to do with regard to the New GI Bill, and why it was good for the youth of America.

Now, in addition to the printed materials, we made eight 2-minute video cassettes which we use for our recruitment. And I have one over here, but I will refrain from showing it, unless you would like to see it later, or perhaps Sergeant Warnock, when he comes up, will have an opportunity to show it, because he uses it with every candidate with whom he talks.

What I would like to do is ask you to pull out these two slides. One of them talks to total Army participation in the New GI Bill, and the other one says selling the New GI Bill. And I will finish up my statement by just referring to those two slides.

The first one with regard to total Army participation, showed, as Mr. Montgomery mentioned, in July through October, the Army had about 42,000 eligible, and of that, about 30,000 enrolled in the New GI Bill. When we look down at the quality; in other words, mental category of those young men and women, 88 percent of those were in the upper mental categories.

Of those not enrolled, we see 30 percent. And we looked at that 30 percent in the Army here after the first of October, and said to ourselves, that is too many.

Now, the reservists, on the other hand, you see the achievements from July through October in the reserve components. Again, the total number of eligibles were about 12,000, and the Veterans' Administration reports approximately 5,000 have applied for the benefits.

So I think there is absolutely an appeal there which has not been present in the past.

[Slide depicting total Army participation in the New GI Bill appears on p. 132.]

The other paper talks to selling the New GI Bill. And as I said, we decided in October in the U.S. Army that we were going to ask our recruiters and our trainers and our commanders to push actively that program, knowing, however, that it is a program that you must opt out.

Still, however, we have ways to reinforce the goodness of the New GI Bill, and as you can see down through there, not only do we brief the enlistees, but we send letters off to their parents explaining the benefits, so that we can get those influencers to help with their youngsters as they move into the service.

We remind the enlistees that are in our delayed entry program, all of our people in the delayed entry program, of the New GI Bill, and the goodness of it, and that it is our investment in their future.

Now, once they get down to active duty, and go through the reception station, why, we have a movie that is in preparation now that we are going to show them. We present them a final briefing and our education center people then ask them to sign up, either enroll or disenroll.

And here is where we have found that there are two major reasons which the Army is going to zero in on and talk to you all later on today, why people disenroll.

Administratively, we want to follow every single soldier through their experience in the Army, to be sure that when they do ETS, or leave the service, that we make sure that hookup into the college is there, and that they feel good about that whole thing.

[The slide entitled "Selling the GI Bill" appears on p. 135.]

Now, at the bottom, you will see participation goal, 90 percent. With some of the constraints that are still in the program, we feel that that is a realistic objective. We would like to have it 100 percent, but if we can do better than 90, we are going to shoot for that.

But since we have about 90 percent that have a high school degree when they enter, we think that that is a reasonable goal to expect, that about 90 percent would have some aspirations for additional education. I would like to talk the other 10 percent into it, but we want to also be realistic.

Now, we are encouraged by the positive results that we have seen so far, and we are committed to developing new marketing strategies to bring forth an even greater participation as we have discussed.

In this regard, there are some carefully crafted changes to the New GI Bill that will make this program more attractive to those who are inclined not to participate, and if you are so inclined, I would be happy to discuss those with you.

We have always supported the need and utility of educational incentives as an investment in our Nation's future. They are good for the Army and they are good for America. Promoting the opportunity for our soldiers to continue their education will make them better citizens when they return to civilian life, or continue as citizen soldiers in the reserve components.

Thank you very much.

[The prepared statement of General Elton appears on p. 127.]

Mr. DASCHLE. Thank you, General Elton.

Let me clarify. Did you say that Sergeant Warnock is prepared to present the video demonstration?

General ELTON. He is or I am. If you would like to see it, we can show it. I don't know how much time we have.

Mr. DASCHLE. How long did you say it was?

General ELTON. About 3 minutes.

Mr. DASCHLE. Well, we will take the time. Why don't you show it to us?

General ELTON. Okay.

[Video presentation.]

General ELTON. We show that, Mr. Chairman, to each prospective enlistee and to their parents, if they are interested, to be sure they understand precisely what the requirements are and the benefits.

Mr. DASCHLE. That is very good. Our apologies to Admiral Bell. I don't know if you can hear anything more after that blast, but it was well done.

Have you completed your testimony, General Elton?

General ELTON. Yes, sir, thank you.

Mr. DASCHLE. General Reals? Am I pronouncing that right?

STATEMENT OF BRIG. GEN. GAIL M. REALS

General REALS. That is correct, Reals.

Thank you very much, Mr. Chairman, for allowing us to come over here and talk today about the New GI Bill and how the Marine Corps is administering the program.

The New GI Bill is a more effective program, and recruiting tool, when enthusiastically endorsed by our recruiting force and presented in a positive way to prospective Marines. To ensure this happens, we have added a class on the New GI Bill to the curriculum at our recruiters' school, and thus, our recruiters receive extensive training on the program's benefits and methods of relating them to the future applicants. Our recruiters can effectively present the program, as documented by the fact, as of October 30, 1958, the last figures I have, that 55 percent of our recruits have remained in the program. Additionally, the program is presented through the Marine Corps' direct mailing program, with letters going to high schools and junior college students explaining the New GI Bill. Students have been found to be very receptive to this information.

On processing day three at our recruit training depots, the provisions of the New GI Bill are once again explained to the recruits. This is done to ensure that they understand the voluntary nature of the program, and that they may disenroll. Further, they are informed that if they opt out of the program, they cannot change their minds later. Then we do the required administrative actions that ensure that they are properly in the system, and their money will be properly deducted.

The New GI Bill has had at this point minimal impact on active duty recruiting, primarily because the current recruits that we are receiving are coming from our Delayed Entry Program. They had decided, prior to the implementation of the New GI Bill, to join the Marine Corps. Interesting to note, however, is that since the beginning of the New GI Bill, some private schools have been more receptive to our Marine recruiters. Also, parents seem to be more interested in the educational benefits than do their sons and daughters.

The Marine Corps believes that the New GI Bill may have a positive impact on recruiting in the future. As the word gets out through advertising and as the public awareness increases, individuals may be taking a closer look at the program's benefits. Certainly, higher tuition costs are forcing individuals who want to continue their education to look seriously at alternatives such as the New GI Bill. Parents may see this as an opportunity for their sons or daughters to gain experience, learn a skill, and then receive help in paying college tuition. With the Marine Corps emphasis on attracting high quality recruits, more of these individuals are apt to be interested in college.

We believe, however, a change is needed in the current law to provide refunds under certain circumstances to service members who are excluded from receiving benefits. Such a change would improve the equity of the program to the members, and would also ease administration. As the law now reads, members are excluded from receiving benefits, even though they have made a non-refundable contribution when they do not earn an honorable discharge; do not—with certain limitations—finish 30 months of a 36-month enlistment or 20 months of a 24-month enlistment; or they do not earn a high school diploma by the end of their first enlistment. This situation, we believe, will require military services to revise discharge and Discharge Review Board practices to deal with these individuals. The Department of Defense is currently considering specific proposals for providing refunds, and will shortly submit those as a legislative proposal.

As to the issue of transferability of GI Bill benefits to dependents, the Marine Corps supports the findings of the Secretary of Defense in his report to Congress on this subject, and will continue to assess the need for transferability as part of the New GI Bill benefits package. At this time, we recommend that transferability not be enacted by Congress.

It has been discussed that if the New GI Bill proves to be an effective program, it might be prudent to reduce current enlistment and re-enlistment bonus programs. Our enlistment and re-enlistment bonus programs are designed to attract the "right" Marine for the "right" job. These programs have proven to have a significant impact on recruiting and retraining quality personnel. Any move to substitute GI Bill benefits for our current bonus programs would be unacceptable. The bonus programs and the New GI Bill fulfill very different needs.

In conclusion, the Marine Corps considers that educational programs, when used in conjunction with our bonus programs, enhance our abilities to bring fine young people into the Marine Corps. Finally, Mr. Chairman, I would like to thank you on behalf of the Marine Corps and thank the committee as a whole for their continued support of educational benefits for all members of the Armed Forces.

Thank you.

[The prepared statement of General Reals appears on p. 141.]

Mr. DASCHLE. Thank you, General Reals.

Admiral Hacker?

STATEMENT OF REAR ADM. BENJAMIN T. HACKER

Admiral HACKER. Yes, sir, Mr. Chairman.

Mr. Chairman, members of the committee, our official statement has been submitted for the record, and rather than reiterate its contents, I would prefer to highlight several points to this committee.

Mr. DASCHLE. Please proceed.

Admiral **Hacker**. When the services met with Mr. Montgomery in early September, the Navy reported a 21-percent participation rate in the New GI Bill.

Now, since the end of August, interest among Navy recruits in the educational benefits available to them under the bill has continued to grow, and for the month of October, over one-third, or 35 percent, of our new recruits have elected to participate in the new program.

This exceeds our overall participation in the VEAP, and clearly demonstrates the impact and effect of the steps that we have taken to articulate more clearly the positive and long-term educational benefits.

In summary, I believe the importance of the New GI Bill will become increasingly apparent as the costs of a college education continue to increase. At the same time, the opportunity for achieving further education as one of the rewards for honorable service in the military will become a basic fact of life.

It is in this context, I welcome the opportunity to engage in this dialogue, and I will be pleased to respond to any questions that you may have. Thank you.

[The prepared statement of Admiral Hacker appears on p. 151.]

Mr. **Daschle**. Thank you, Admiral Hacker.

General Harpe?

STATEMENT OF MAJ. GEN. W. S. HARPE

General **Harpe**. Thank you, Mr. Chairman.

The Air Force is very pleased to be here today to tell you how much we appreciate your efforts in bringing the New GI Bill to help us with our recruiting.

Our enlisted recruiting is going very well. the New GI Bill certainly has had its impact. Our enlisted recruiting is going well for a number of other reasons, primarily because we have great recruiters. And I am pleased to say that we have with us today, the Air Force's top recruiter for our last year, he is M. Sgt. Edward Fender II, from Omaha, NE, and I hope you will have a chance to talk with him later.

I must say that while our recruiting is going very well, the retention environment is fragile. The Air Force has historically supported the need for a flexible educational incentives program which provides a balance in its provisions between recruiting and retention.

With respect to the New GI Bill, as I said before, we are glad to have it. Mr. Chairman, I must tell you that I am personally very pleased to see it, because I had the opportunity 2 years ago, of commanding an Air Force recruiting service, and I saw a great need for it there, and argued for it on many occasions, and it is a real personal pleasure for me to see it now before us.

We have taken action within our recruiting in the Air Force's training and education community to effectively implement the Bill. My statement that I provided you earlier, records fully how we have implemented the actions to make that happen.

Our initial acceptance rate in the Air Force for the New GI Bill has been 38 percent. When compared to our 6-percent participation rate, under VEAP, I think that represents a significant and positive improvement.

And in reference to your earlier question today about first-year experience, we had only a 1-percent experience with VEAP in its first year, compared to 38 percent already, I think is another indication that the program is working very well for us compared to the previous one.

Furthermore, with additional effort on our part, and some slight adjustments to the basic GI Bill program, we are expecting even a higher participation rate among our Air Force enlistees.

We have surveyed our new recruits down at our basic military training center, and we found a number of minor adjustments to the program that we think would yield higher participation among Air Force recruits.

And specifically, I would like to outline these. The one-time refund provision, we support. Secondly, a longer period in which to make the decision to participate, 30 days instead of the current 14.

And thirdly, an easier monthly payment schedule, $60 per month for 20 months, instead of the current $100 per month for 12 months.

And we would also suggest a survivorship provision. We are anxious to work these issues with our service counterparts and with your staffers.

Although we have no way to quantify the retention benefits which would come as the result of a transferability feature in the bill, I must say that intuitively, we believe that such a provision would become a measurable positive influence on retention of our enlisted and officer personnel.

But we would not favor this at the expense of some of our truly successful programs, such as our selected re-enlistment bonuses, which we have found have served us so well.

Once again, Mr. Chairman, we really do appreciate your support and interest in helping the U.S. Air Force recruit and retain our high-quality people. I am glad to have this opportunity to come before you, and look forward to answering your questions.

[The prepared statement of General Harpe appears on p. 156.]

Mr. Daschle. Thank you, General Harp, for your very enthusiastic support of the program, and the information provided in your testimony.

Admiral Bell?

STATEMENT OF REAR ADM. HENRY H. BELL

Admiral Bell. Thank you, Mr. Chairman. It is a pleasure to appear before this subcommittee to offer testimony on the effect of the New GI Bill on the Coast Guard.

The Coast Guard, our sister services and the Department of Defense, are utilizing the New GI Bill enthusiastically to obtain recruits of the highest caliber.

Approximately 50 percent of our active duty personnel entering the Coast Guard since July 1, of this year have elected to participate in the New GI Bill. And of that number, approximately 75 percent have indicated that the availability of the New GI Bill was a major factor, but not necessarily the major factor that encouraged them to join the Coast Guard.

Like our sister services, the major difficulty we foresee in this program is a number of individuals who, despite having their pay reduced for 12 months, have failed to meet one of the eligibility criteria. We will be working with the Department of Defense to try to arrive at a fair and responsible remedy to this situation.

With respect to the transferability of GI benefits to family members of the military members searching such benefits, we think it might be an attractive or popular additional feature to the program.

However, it would not serve as a targeted incentive to retain the specific occupational groupings that the Coast Guard needs to retain.

Therefore, we concur with the Department of Defense's decision that it is premature to draw unequivocal conclusions regarding the need for transferability and recommend that transferability not be enacted by Congress at this time.

Thank you, Mr. Chairman. That concludes my brief statement.

[The prepared statement of Admiral Bell appears on p. 162.]

Mr. DASCHLE. Thank you all for your testimony.

Mr. Chairman, do you want to proceed with questions?

Mr. MONTGOMERY. Thank you very much, Tom.

Let me first thank our panelists for being here this morning, and generally what I have heard, you all support the New GI Bill, and are doing what you can to implement during this test time.

I especially want to thank the Army for really a fantastic job that you have done, General Elton, in implementing the New GI Bill and in spending money on it, and your advertising. And I would like to make this point:

At the processing center in Baltimore, the Army gets these people coming in to join up and they think from the advertising that you have to go into the Army, but the Army has been very fair, if a person says, "Well, I prefer to go into the Air Force," then you have—you are grinning, General, but they told us this—and in some cases—in all cases, if he wants to go in the Air Force or the Navy, even though they thought the Army was the only one that had the GI benefits, they have sent them down from the Army to the other branches of the service.

So, I think fairness is showing up also. But General Elton, usually when you start a new government program, it takes about 10 years to get it implemented. And I certainly want to commend you for that.

And the Marine Corps, your statistics prove that you are also using it. But that doesn't reflect on the other services. I have met with you, and you are concerned about it, and I think that your percentages will go up.

But just for the record, briefly, if you can give me some figures and not compare it with the VEAP figures in the last 6 months, maybe compare it with the previous 6 months, because I know when we stopped the VEAP program in July, that a number of people before July got into the VEAP program.

But General Elton, can you compare what the New GI Bill is doing compared to the VEAP program as far as staying in and not opting out, just a percentage? 70 percent I believe you said are staying, or are opting to stay in?

General ELTON. Yes, sir.

Right now, it is up to almost 70 percent, and as I have indicated, we would like to try to push that up to 90 percent. And we think that is realistic. I think, however, we must remember that the VEAP was opt in, and a young man or woman would come into the service, and if they were so inclined, then the opportunity was there.

The Army realized that many young men and women wanted educational opportunity, and so we packaged the veterans' educational program into a basic program, and some kickers, which we call the Army College Fund.

And the Army College Fund helped us, quite frankly, to stay competitive in our recruiting, and helped us to achieve the quality goals that we sought.

I would hate, however, to say, well, it is better. With 4 months of data, I would hesitate to say unequivocally it is a better program, because one is an opt out, and the other was opt in.

Having said that, I will also say that I believe that since it is the Army's philosophy, that this is an investment in your future, we are going to try in every way possible, from the recruiter all the way to the drill sergeant in basic training, to encourage every individual to opt in.

And we have had additional success, but I think to compare the numbers, we are really comparing apples and oranges. But we are very, very enthusiastic about it, and the young men and women are responding to that.

Mr. MONTGOMERY. I thought in your original statement that you said that the New GI Bill was much better than the VEAP program, in your original statement?

General ELTON. Well, sir, I do. And I have a copy of what is left of that here. And the figures there are correct. And we did enlist 17 percent more high-quality males in the first quarter of the New GI Bill than we did in 1984, I am not prepared to say, however, that that was all due to the New GI Bill.

Mr. MONTGOMERY. Well, I am glad. That was going to be my next question, was to—I quoted you in my statement, and I didn't want the chairman or the members to think I took that from out of the air, but that was in your original statement.

General ELTON. That definitely was, and those are the facts. Those are the facts. But again, we have one program which was an opt in, and the other which is an opt out, and I think that in itself, the fact that we are urging them not to opt out is helping us in helping them——

Mr. MONTGOMERY. I want to hear from the other members, but why don't you just come back to me, Mr. Chairman, and go by the time.

Mr. DASCHLE. You are fine. We are not rushing you. Go ahead.

Mr. MONTGOMERY. I set these rules, and I hate to break them. Briefly, General Reals, maybe it is not a good question. Go ahead and answer it.

General Reals. Well, overall, in the VEAP, we had about 23 percent participation versus the first 4 months' experience with the New GI Bill of 55 percent, and it seems to be climbing. I have to go along with what General Elton said. It is a little bit apples and oranges. Still, the numbers are there, regardless of how we later try to analyze them. Overall, both from the point of view of what the young Marine would get out of the program, and how it can be administered, we prefer the New GI Bill. I think it is going to be a better program all the way around.

Mr. Montgomery. Thank you, General Reals.

Admiral Hacker?

Admiral Hacker. Yes, sir.

Acknowledging the differences between the VEAP and the New GI Bill program, it is clear that we prefer the New GI Bill program, and it is also clear that our recruits, based on comparative participation rates, prefer it.

Our average participation experience throughout the life of VEAP was 24 percent. As I indicated earlier, we have seen our percentage grow from 18 in July, and after being restimulated by an effort that was precipitated by some timely review of our figures with you, we realized 35 percent participation in October.

So the participation in this program has clearly exceeded that of our VEAP experience.

Mr. Montgomery. Thank you.

General Harpe?

General Harpe. Sir, it is obvious to us that the New GI Bill is far more popular to the Air Force enlistees than VEAP is. I mention in my remarks, we were experiencing only 6 percent participation in VEAP, and we are at 38 percent participation in the New GI Bill, a six-fold increase in interest. It speaks for itself.

Mr. Montgomery. Thank you.

Admiral Bell. The Coast Guard would just reflect the previous statement, sir. The GI Bill is much more——

Mr. Montgomery. You might talk right into the mike.

Admiral Bell. The GI Bill has been much more enthusiastically received. As I said, we are at approximately 50 percent. We think we will continue to grow, and I think particularly if we were able to reduce the monthly deduction from these very young men's pay, that we wouldn't be competing with a new car, and that we could talk a little more sense into them.

Thank you, sir.

Mr. Montgomery. Mr. Chairman, let me make one more comment, than I yield back the time that I have not used or have used.

Regarding the $100 a month, just for the record, that was not in our original bill that went over to the Senate. That was added in conference at 2:30 in the morning, trying to get a GI Bill implemented.

And actually, the House did not put that in there. And I am sure, Mr. Chairman, that you will take a look and bring it before this subcommittee pertaining to the $100 a month, maybe spread it out over 24 months, or consider even dropping it out.

It does make the program less costly, and there are some arguments on both sides of this thing, that everybody probably doesn't need to get a college education that gets in the military.

But the $100 does attract those that are very sincere about it. What would worry me is, and we ought to look into this, say a young person got out of the service and 6 months after he got out of the service, we set it up where he could get his $1,200 that he thought he had coming back.

So, he gets out to get married or buy a car, as somebody suggested, he or she, we would give them the money back, and then a year from them, they have got 10 years to implement this educational benefit, they decide, "I made a terrible mistake. I would like to either pay back in my $1,200 or ask forgiveness, that I could get this $10,800."

So, it does have some merit to it, to take a good hard look of what we do with the $1,200, because I want to be sure that we don't give this money back and then a person really needs an education, and they have been eliminated.

So, I suggest we look at it very closely.

Thank you, Mr. Chairman.

Mr. **Daschle**. Mr. Chairman, I think you are absolutely right. We are going to be very interested in the information concerning that $1,200, and the impact it is having. As that information becomes available, I think sometime early next year, perhaps March or April, would be an appropriate time to take another good look at this.

Mr. McEwen?

Mr. **McEwen**. Thank you, Mr. Chairman.

General Elton, you made reference to the fact that you have 70-percent participation, you want to take it to 90 and on up. First, I am a big believer in education and support that in principle.

Second, I can understand using it as a recruiting tool, but once a person is in the Army and he is happy and content, from a budgetary standpoint, need we encourage everyone to participate in all the programs?

Suppose only 3 out of 4 want to use this. Do we let the other 25 rest or not?

General **Elton**. Well, sir, I guess I would have to respond to that that they do have the opportunity to go to school and to do some of that within the services. All of us have programs that are very, very active as far as allowing young individuals to try on their own, while they are still in the service.

And then if they try and find that they have actually found something they really like, then if they have not opted in, not invested this small amount in their future, they are without it, because that decision right now, as it stands, is irrevocable.

Mr. **McEwen**. I see.

General **Elton**. But I agree with you, not everyone, as Mr. Montgomery has said, I don't believe everybody needs to have, necessarily, a college education, but I just will say that the young men and women who approach the recruiters now do not feel that way.

The great majority of them know that education, in some form or other, whether it is vocational or college or 2-year college, is going to be the key to their success in the future. Now, some of them are not ready to come to grips with it yet, but this gives them the opportunity to do it.

Mr. McEWEN. Thank you. Naturally, I am sure you have been approached, as have Members of Congress, about the cost of the television spots on prime time. One that I did have raised as the most expensive time on television during the entire year was the Super Bowl, and of course, everyone is keeping a mental note as to who could afford it.

And the only people other than the Japanese auto companies seem to be the Army.

Do you have any thoughts on that? Are those absolutely——

General ELTON. I am happy to talk about, sir, because we think that the advertising that we have is a major factor in attracting young men and women. I will say that we were able in working with our advertiser, we did not advertise on the Bowl, per se. We advertised just before the Bowl, and the price was cut in half.

Mr. McEWEN. Great.

General ELTON. And so, we thought that was a great economy, because everyone is ready to watch the kickoff, and so they are also ready to watch an advertisement about joining the Army.

Mr. McEWEN. Great.

General ELTON. And there it came. But——

Mr. McEWEN. I am going to print that response and keep it on 3-by-5 cards and carry it around with me the day after the Super Bowl from now on.

Thank you very much.

One final observation would be that all of you gave this ringing endorsement by quoting the Secretary of Defense's report to the Congress on transferability, in which it said that they did not support it at this time.

I get newspaper endorsements on occasion, and when you carry a country 3 to 1, the newspaper comes out and says, "We support Congressman McEwen for reelection," and you can sense the degree of commitment in those statements.

In this, I find a reference to the report stating that is the position. Is that 100 percent the position of the services, do you think? I recognize this is the Department of Defense's position, but does transferability have any merit at all, or not? Whoever wants to jump in can feel free.

General ELTON. Let me start, and I think they all have mentioned it other than the Army, as far as having a position.

We have thought about transferability for some time, because our non-commissioned officers brought it up. And they said, people are tinkering with the retirement, and those people who are making decisions at the 10 to 12 to 15-year point are looking at that tinkering, and they are saying, "What are the other kinds of things that would help to encourage us to enlist and stay on?"

And we did a little quick and dirty survey. The Army Research Institute went out to four different places and talked to first-termers, mid-termers and careerists, and they found that the impact on personal reup decision would be improved by—for careerists now, that is E-7 thru E-9, by about 50 percent.

Those who said they would re-enlist with more than 10 years' service, 77 percent indicated that that would be a very positive influence.

Now, as other members of the panel have mentioned, quite clearly, they do not trade that off with a re-enlistment bonus. And the precise ability to use a re-enlistment bonus for specific skills is absolutely critical.

But I think we have to look at the totality of the compensation and what it is that makes sense to a non-commissioned officer as he moves through the very rigorous years, especially from 10 through 20 or 25, in the service, and this definitely has appeal.

In fact, the first-termers, these are E-1s through E-4, 56 percent of them said that it would be of a major—one of the major considerations in their determining whether to stay in or not.

Now, this, as I say, is a quick and dirty survey, and I can certainly make this information available to any of you. It is just that it appears to me that it is, in fact, a very positive indication that people are searching for ways to educate their youngsters.

Mr. McEwen. Anyone else have any——

General Harpe. I might mention that if it were not a zero-sum gain, I think you have a rounding support for the transferability clause. We are all victims of the resource crunch, however, in knowing that if we gain something, we typically have to look at something to give up in its place.

And I can think of no other program for the Air Force that has meant so much to us and our combat capability than our selective targeted bonuses, where we can correct it on a bi-yearly basis at our problem children of the moment, whereas a transferability clause would not be a targeted type of bonus, as we see it.

Thank you.

Mr. Montgomery. Would the gentleman yield?

Mr. McEwen. Sure.

Mr. Montgomery. Actually, this is one of the problems I have had when we were trying to implement this bill. This is the best deal in town, Bob, for the military services. On the basic benefits, the VA is paying part of the cost, but you get into the transferability under the legislation, then the different services would have to bear that expense.

Mr. Daschle. I would, just for the record, like each of the service representatives to state, once again, the current participation, just for comparative purposes, starting with General Elton.

General Elton. Well, as of the end of October, we are up to 68.8 percent.

Mr. Daschle. 68 for the Army.

General Reals?

General Reals. 55 percent for the Marine Corps.

Mr. Daschle. 55 for the Marine Corps.

Admiral Hacker?

Admiral Hacker. 28 percent for the Navy, cumulative; 35 percent for the month of October.

Mr. Daschle. 35?

Admiral Hacker. For October, yes, sir. Cumulative is 28 percent.

Mr. Daschle. General Harpe?

General Harpe. 38 percent.

Mr. Daschle. 38.

And Admiral Bell?

Admiral Bell. 50 percent, cumulative.

Mr. **Daschle**. 50 percent.

So we have got, the low is 35, and the high is 68. There seems to be, obviously, there is a substantial disparity in the participation level. I would like to have your subjective judgment. Obviously, there is no way to objectively evaluate this.

But, give me your judgment, just briefly. Why, Admiral Hacker, would you suggest that there is a tremendous disparity between Navy and Army participation?

Admiral **Hacker**. Let me start by saying, Mr. Chairman, that the Navy is marketed to appeal to the in-service benefits of skill training, and the sense of adventure in our young people that attracts them to naval service.

Mr. **Daschle**. Do you think you have a monopoly on the sense of adventure?

Admiral **Hacker**. I don't intend to suggest that, but that is a major point of the marketing program for the Navy recruiting service.

Mr. **Daschle**. So you don't think because you have such a sense of adventure you have to rely upon the New GI Bill quite as much as the Army; is that it?

Admiral **Hacker**. No, I haven't finished answering the question.

Mr. **Daschle**. Excuse me.

Admiral **Hacker**. We view in the marketing program the presentation of the New GI Bill as an opportunity to gain an education at the completion of an enlistment, but not at the expense of becoming an incentive to get out of the Navy at the end of the enlistment.

Another way to state that is that the primary interest of the naval service is, of course, revolving around our retention programs to provide for the sustainability of those individuals that we have invested so heavily in through training.

With availability of the New GI Bill, we have yet another benefit to offer in addition to the features which primarily motivate individuals to choose the Navy, and that is adventure and travel, and technical training.

If I were to amplify and expand on that, then I would have to compare the programs previously briefed by the Army with the thrust of the Navy, and the differences are pretty apparent in terms of where the emphasis goes, recruiting vis-a-vis retention.

Mr. **Daschle**. Were you aware of the disparity prior to the preparation for testimony today?

Admiral **Hacker**. Oh, yes, sir. You mean aware of the difference in marketing strategy?

Mr. **Daschle**. No. Just aware of the disparity between 35 percent and 68 percent?

Admiral **Hacker**. Yes, sir.

Mr. **Daschle**. We are troubled by interservice rivalries. Sometimes it has problems. But clearly, interservice rivalry is not apparent here, given the Army's domination of the program at this point.

Is it your intent that, within the next 6 months, or a year, the Navy is going to be aggressively pursuing an effort to close the gap between 68 and 35?

Admiral Hacker. Mr. Chairman, we are aggressively marketing the program now, and I would expect that we will continue to see an increase in our participation rate.

Mr. Daschle. I saw the blue folder for the Army, and I saw the excellent television for the Army. I fail, yet, to see the television ads that you have. Do you have some that are on the air?

Admiral Hacker. No, sir. We don't have that kind of a budget.

Mr. Daschle. You don't have that kind of a budget?

Admiral Hacker. An advertising budget, yes, sir.

Mr. Daschle. Why would the Army have a budget that you don't?

Admiral Hacker. I am not prepared to address that in terms of the comparative size—

Mr. Daschle. Have you asked for that kind of a budget at some point, to aggressively market the program?

Admiral Hacker. I think it fair to answer, but I can't—let me not respond to that question now, Mr. Chairman, but provide an answer for the record, if I may.

[Subsequently, the following information was provided for the record.]

Navy Advertising Budget for New GI Bill

Prior year advertising funding was cut to levels which did not provide for a television campaign from spring 1982 until fall 1984. Navy experienced major declines in all advertising effectiveness measures (i.e., awareness, propensity, etc.). Navy was able to reverse the trend in FY 85, however, we continue below the previous levels of spring 1982. For FY 86, Navy requested an increase to $23.3 million. The request predated and had no plans to market the GI Bill. The increase to Navy's advertising budget was not approved. Navy's current advertising budget level of $22 million for FY 86 provides for a minimum level of television advertising of general, not specific, Navy opportunities and benefits. Navy's advertising budget is approximately one-quarter the size of Army's. Realistically, we cannot compete with Army in advertising educational benefits. Some Navy advertising funds have, however, been diverted to produce an updated GI Bill information brochure for all new recruits.

Mr. Daschle. Well, I hope it is a good one, because that certainly seems to be the bottom line. Obviously, if you haven't asked for the money, you aren't going to get it. If you don't think it important enough to get on television or to put out a folder like this one, which is a pretty impressive summary of documents, I expect that next time we have a hearing, we will still see a 35 percent.

What plans do you have to aggressively pursue a marketing program equivalent to the Army's to ensure that the next time you come before this subcommittee, you are going to have something comparable to a 68-percent participation? What would those things be? You said you were aware of the disparity. Now I am just wondering how you intend to overcome that disparity?

Admiral Hacker. Mr. Chairman, let me, first of all, say that it is not our intent to try to rival the Army's participation rate as an objective for the Navy.

Mr. Daschle. Well, it isn't my intent, either. I would just say that, obviously, if one branch of service has 68 percent participation, that is a standard by which others are being judged. That is a standard.

We see that, for some reason, one service has 68 percent, another service has 35. There is a big difference there. As good as your testimony is, and I appreciate your sincerity in presenting enthusiastic support for the program, the facts speak for themselves.

Clearly, the statistics here demonstrate that the Navy hasn't made the same commitment, at least in marketing, that the Army has. In my view, the Army has put a higher priority on it.

I certainly don't expect to speak for the committee here, but it seems to me that, if we are interested in pursuing this aggressively as a test program, then we better put our money where our mouth is, and we better have statistics to back it up, and you don't have it today.

Admiral **Hacker**. Mr. Chairman, you do, of course, understand that the Army is the only service that has been authorized the Army College Fund. And certainly that is a fund that is very competitive to our Navy recruiters.

It is not our intent to try to get the authority to replicate that fund, and we support the kind of thinking that characterized the provision of that authority and unique program capability to the Army back in 1981.

Mr. **Daschle**. So we should expect that because the Army has the Army College Fund, that disparity will be dramatic?

Admiral **Hacker**. Yes, sir.

Mr. **Daschle**. In perpetuity?

Admiral **Hacker**. Yes, sir.

Mr. **Daschle**. I see everyone nodding their heads.

Marketing, then, is not a factor. Apparently, what you are saying is that the marketing factor here is not as significant as the fund is?

Admiral **Hacker**. I am saying that the strategies for marketing are probably service-unique, and the unique kind of strategy that is reinforced by the unique capability on the part of the Army to market this program is one that we would not anticipate replicated.

Mr. **Daschle**. That is interesting. The Army has the Army College Fund, and they are also the most aggressive marketers of the New GI Bill. It seems to me that if you were going to make up for the fact that you don't have the Army College Fund, you would be out there with television ads and glossy brochures, too.

Admiral **Hacker**. Oh, no, sir.

Mr. **Daschle**. To help offset the fact that you don't have the tool that the Army had to begin with. Where is that logic not accurate?

Admiral **Hacker**. The logic would break, I think, in coming to the bottom line that we believe that our funds, available in the Navy, can better serve our needs through the SRB program to aid in our retention effort of highly-qualified personnel.

It is suggested that the Army College Fund, in its operative objective, will serve as an incentive for those to leave service after 2 years of active duty, and that is not consistent with our Navy-unique retention interests and requirements.

Mr. **Daschle**. Well, we could argue this point for the rest of the morning.

Let me just say, as a final remark, that comparative analysis here would show that your 35 doesn't compare with the Marine Corps 55; it doesn't compare with the Coast Guard 50. So even without the Army College Fund, your counterparts in the other services appear to be doing better.

Admiral HACKER. Yes, sir, acknowledged. And I expect that the programs we recently implemented will continue to show the kind of growth that will put us in a comparable order of magnitude for participation.

Mr. DASCHLE. Well, we will be looking with great interest. I can assure you that we will be holding another hearing like this. My first question will be one similar to the one I have asked this morning, just to get a better analysis of how well the services are doing.

I have a couple of other questions, but I have taken too much time already.

Mr. Chairman, do you have any additional question?

Mr. McEwen? Mr. McEwen is asking unanimous consent to submit questions for the record. And without objection, they will be submitted.

Let me just go back a moment to the OMB. Were you each approached by OMB with regard to your testimony, and told to delete certain items in that testimony?

General Elton, obviously, the answer to that is affirmative.

General ELTON. Well, Mr. Chairman, I got an edited copy back. We sent it in, and what I got back, I took out.

Mr. DASCHLE. General Reals?

General REALS. Our instructions came down through the channels, through DOD, and we had submitted our statement, and we were asked to make some adjustments to it.

Mr. DASCHLE. You were asked to make adjustments as well.

General REALS. Yes.

Mr. DASCHLE. Admiral Hacker?

Admiral HACKER. Yes, sir. We were required to make some changes to the statement that was previously provided to this committee.

Mr. DASCHLE. General Harpe?

General HARPE. Sir, as far as I know, the statement I originally prepared is the one that you have.

Mr. DASCHLE. Admiral Bell?

Admiral BELL. As far as I know, sir, I got back an edited copy.

Mr. DASCHLE. You got back an edited copy as well.

Admiral BELL. I was not consulted.

Mr. DASCHLE. Can one characterize the edited parts of the testimony, as statistical, or judgmental? General Elton, in your case, I would have to say, clearly, they were primarily statistical.

To your knowledge, were you given any rationale for the editing out of statistical information that you had originally provided?

General ELTON. Well, sir, at looking on both sides of the coin, we are in the process, all of us, of working together with the Office of the Secretary of Defense in coming up with a position on changes. And that position really hasn't been firmed up yet.

Each of the services has some suggestions. We have made these suggestions. And it sounds to me like many of us are on the same sheet of music here, and so that coordination won't take too much time.

But that probably is one of the reasons, in fact, that was edited into the statement that OSD is developing specific legislation.

Mr. Daschle. The Department of Defense clearly had cleared these statements, had they not, before they were presented to OMB?

General Elton. I believe so. I would have to ask——

Mr. Daschle. Well, I would think so. Certainly, you wouldn't bypass OSD, would you?

General Elton. No.

Mr. Daschle. No, you wouldn't.

Mr. Montgomery. What concerns me, back on the first page of your testimony that you submitted to us, it said the New GI Bill, about the second paragraph, and then the OMB told you to strike the New GI Bill and put educational assistance program.

General Elton. Yes, sir.

Mr. Montgomery. Why would they do that? That is really nitpicking. They don't like the New GI Bill or what? They don't like the sound?

General Elton. I don't know. I don't have any idea why. And it, of course, is a judgment on our part, so I don't know.

Mr. Montgomery. Thank you, Mr. Chairman.

Mr. Daschle. Well, you asked it for all of us.

To say here, as the General originally had written, and OSD had approved, "The New GI Bill and Army College Fund is a more powerful tool for attracting quality than Veterans' Educational Assistance Programs and Army College Fund," and then saying that, "we enlisted 17 percent, from 13,700 to 16,000 more high-quality males in the first quarter of the New GI Bill than in fiscal year 1984.

"We also enlisted 1,541 additional young people to the top two test categories."

Now that seems to me to be probably the most significant information the general could have provided to this committee with regard to how well the program is working, and for some reason, it was deleted.

Now, there has to be a good reason, and we intend to get to the bottom of it. Certainly, these people can't give us the rationale for whatever action is taken by OMB. It is outrageous to me that an agency of government would preclude the experts in the field from presenting this committee with the oversight opportunity necessary.

I have many other questions, but like the gentleman from Ohio, I will submit them for the record. I want to thank all of you. It is not my intent at all to unload on the Navy, even though I was a member of the Air Force, and proud to have been a member of the Air Force.

But I would hope that all of us could be taking a good look at those participation figures in the next 6 months. I think there is more than the Army College Fund at stake here. I really think it is an attitudinal thing. I think it is how aggressive we pursue this.

And I certainly think it is how well we market it. I can assure you, we will be taking a good look as we go through the next few months to make sure that everyone is in this to make sure that the test succeeds as well as possible.

Thank you all very much.

Just for the record, I am going to be submitting a letter to OMB this afternoon with the information that has been provided to us this morning, and inviting OMB to testify Thursday morning.

[See p. 165.]

Mr. **Daschle.** Our third panel will be comprised of those recruiters who, as I understand it, have been remarkable in their fields. They have all done an extraordinary job of recruiting. They have all utilized the New GI Bill, as I understand it, to its maximum. We are very pleased that they could share their experiences with us this morning.

I call to the witness table S. Sgt. Nathan Warnock, the U.S. Army Recruiting Office in Chicago; Master Chief Homer Johnson, the U.S. Navy Recruiting Office in Arlington, VA; M. Sgt. Edward Fender, II, the outstanding Air Force recruiter, U.S. Air Force Recruiting Office in Omaha, NE; and S. Sgt.John Parsons, III, the U.S. Marine Corps Recruiting Office in Pennsylvania.

Gentlemen, we are pleased you are with us, and we will wait until Staff Sergeant—usually the Marines are the first to arrive, and I see they are pulling up the rear here, but we are delighted you are here, Sergeant Parsons, and I want to first congratulate you.

I think that recruiting is one of the toughest jobs in the military. I have had the opportunity to visit with many recruiters. I know the pressure recruiters are under. I know the importance that you place on quality personnel.

I appreciate your willingness to come before us this morning to present your comments. We would like to pursue the testimony by inviting Sergeant Warnock to be our first witness.

STATEMENTS OF S. SGT. NATHAN WARNOCK, U.S. ARMY RECRUITING OFFICE, CHICAGO, IL; MASTER CHIEF HOMER JOHNSON, U.S. NAVY RECRUITING OFFICE, ARLINGTON, VA; M. SGT. EDWARD D. FENDER, II, (OUTSTANDING AIR FORCE RECRUITER), U.S. AIR FORCE RECRUITING OFFICE, OMAHA, NE; AND S. SGT. JOHN PARSONS, III, U.S. MARINE CORPS RECRUITING OFFICE, PHILADELPHIA, PA

STATEMENT OF S. SGT. NATHAN WARNOCK

Sergeant **Warnock.** Mr. Chairman, first of all, I am S. Sgt. Warnock. I am stationed currently in Chicago, IL. I am a medium station commander. I came into the Army in October 1975, went to Fort Gordon, GA, and successfully completed basic training and AIT at Fort Gordon.

I was stationed at Fort Gordon for a period of 4 years, where I achieved my associate's degree, and left Fort Gordon to come to Chicago, IL for recruiting command. And that is basically it, Mr. Chairman.

[Written committee questions and response of Sergeant Warnock appear on p. 431.]

[The statement of Sergeant Warnock appears on p. 169.]

Mr. **Daschle.** Chief Johnson?

STATEMENT OF MASTER CHIEF HOMER JOHNSON

Master Chief **Johnson.** Yes, sir, Mr. Chairman. I am Force Master Chief Johnson. I am the senior enlisted recruiter in the Navy Recruiting Command out of the Headquarters in Arlington, VA. I have been in recruiting for approximately 12 years on two tours, I have recruited under the old GI Bill, the New GI Bill, and the VEAP, and I am here to address any questions you might have on Navy recruiting.

Mr. DASCHLE. Well, we certainly have some.

[The statement of Master Chief Johnson appears on p. 171.]

Mr. DASCHLE. Sergeant Fender?

STATEMENT OF M. SGT. EDWARD D. FENDER, II

Sergeant FENDER. Mr. Chairman, I am Master Sergeant Dean Fender, and it is a privilege for me to be present here today for this hearing on the New GI Bill. I consider it an honor to be the Air Force's recruiting services representative.

I have been in the Air Force for the past 12 years. My primary specialty is surgical service specialist. I have been on special duty with the Air Force, with Air Force recruiting in Omaha, Nebraska, for the past year and a half.

During that time, I have recruited quite a few young men and women. We were glad to receive the New GI Bill earlier this year, and I have been able to use it, along with other available enlistment incentives and options in achieving my objectives.

I will be glad to answer any questions that you and the committee may have about how we do it in the Air Force. Thank you.

[The statement of Sergeant Fender appears on p. 172.]

Mr. DASCHLE. Sergeant Parsons?

STATEMENT OF S. SGT. JOHN PARSONS, III

Sergeant PARSONS. Yes, sir.

Mr. Chairman, my name is S. Sgt. Parsons. I first joined the Marine Corps over 20 years ago, and I served in Vietnam, before getting out, and used the GI Bill-the old GI Bill. I was out for almost 10 years, then came back in the Marine Corps and started over. I have spent most of my tour, up until last year when I went on recruiting duty, in the reconnaissance community. I have only been on recruiting duty for 1 year.

While I was in the reconnaissance community, I was the education NCO, and so I am very familiar with VEAP, and the differences between VEAP and the New GI Bill.

I will answer any questions that you have.

[The statement of Staff Sergeant Parsons appears on p. 174.]

Mr. DASCHLE. Thank you.

You are all very articulate representatives of the services, and we are pleased that you are here.

I will yield to the chairman of the Veterans' Affairs Committee.

Mr. MONTGOMERY. Thank you, Mr. Chairman. I also join in welcoming this distinguished group of non-commissioned officers and chiefs to this subcommittee hearing.

I will start with you, then, Sergeant Parsons, you mentioned about the VEAP program, the old GI Bill program, and also this one we have now.

How is this working? We are having hearings. Tell us like it is.

Sergeant PARSONS. Yes, sir. It seems to me that what is really important for us at the recruiting level are perceptions in educating the masses. When you talk to parents my age or a little older about their children whom you are going to recruit, they can identify with, or at least have a perception of the New GI Bill. They can identify with the old GI Bill, so when you use the term GI Bill, a light bulb goes on, so to speak.

If you use the term VEAP, there is nothing there, because there is a void between the time that they served or their relatives served and when VEAP was inplemented. If you are talking to a mother, the husband who was in the service, they know the GI Bill and they know the effect. Many people who were in the service during the Second World War, Korean war and Vietnam era obtained college educations and went on into business and the private sector using that GI Bill.

So today the New GI Bill is a very important tool in recruiting, particularly when we sit and talk to the parents. Although it might not enhance the conversation with the 17- or 18-year-old who is in high school at this time, it is a very important benefit to get across to their parents and the educators, to include counselors and principals. Therefore, the GI Bill is important for us.

Mr. **Montgomery**. You certainly said it well. Are you thinking about running for Congress?

Someone else, so we can spread it around. The Brigadier General of the Marine Corps, General Reals, mentioned—I believe she was the one that said it—that is easier now to get into private schools on account of the New GI Bill.

Sergeant Warnock?

Sergeant **Warnock**. Yes, Mr. Chairman, we are finding that it is easier to penetrate high schools, and one of the reasons is the benefits of the New GI Bill, helps as far as the counselors now are able to participate, now we are getting school teachers that actually want to come on active duty, and use the programs.

People in the professional sectors are aware of the New GI Bill now, and we are starting to get more professional people to come into the services.

A lot of the Catholic high schools now allow us to come in and give our presentations, because they also receive accountability for the amount of scholarships that they received from each high school, and they see this GI Bill as a scholarship, as a $10,800 scholarship for their students.

Thank you, Mr. Chairman.

Mr. **Montgomery**. Thank you. Very well done.

Chief, as the chairman pointed out, the Navy, percentage-wise, is not up to the other services as far as this piece of legislation is concerned.

When we were in Baltimore, we talked to the naval evaluators in their processing station, and they said that the word had come down that they wanted to push the New GI Bill more.

Is that your interpretation?

Master Chief **Johnson**. Yes, sir, Mr. Chairman.

I feel like you probably already feel yourself, that the Navy really got behind in promoting the New GI Bill——

Mr. **Montgomery**. Talk a little closer.

Master Chief **Johnson**. We got behind in promoting the New GI Bill when it first came out, we didn't use it very well in our marketing strategies; we didn't sell it very well in our RTCs, training commands, where we send the people for boot camp.

It appears we lagged behind the other services some in those areas. I think that the programs that we are putting in effect now are going to help bring our participation percentages up a bit.

However, there will always be the problem we must face, not a problem to the military in general—that is, if we sell the New GI Bill up front to an applicant—and that person is shopping with the other services, we are going to lose the applicant to the Army, because they have the Army College Fund. And they can offer a better education package than the Navy can.

So, we really sell the New GI Bill as another benefit in addition to all the other benefits they can get while serving their country. And we certainly sell it in the schools and as an assist to get in the door of the educational institutions.

But I don't think the Navy will ever be on a par with the Army, unless the Department of the Navy makes a decision that the Navy is going to match the Army College Fund with one of its own. If that is so, then it is worth the Navy's money to advertise the New GI Bill and its kickers, sell it up front and spend a lot of money on promotional items.

The Army's advertising budget is bigger than our entire recruiting budget. So, we really have to look closely at how we spend our money, and we can't spend it playing into another service's hands, which is what we would do if we tried to advertise publicly.

Mr. MONTGOMERY. There have been rumors around, and I serve on the House Armed Services Committee, that the Navy is probably going to have more recruiting problems than some of the other services, because of the longer time at sea, and that the recruits are not coming in as they did in the past, joined the Navy.

Is that happening? Can you see that as a recruiter?

Master Chief JOHNSON. Yes, sir. As a matter of fact, as you know, the Navy is the only growing service today. Our goals are going up annually, to maintain the proper personnel flow to man our 600-ship Navy by the 1990's.

And all the other services are either holding pretty much at par or are decreasing their manpower. The fact that we are growing, recruiting from a reduced market and an improved economy all impact on our ability to attract the numbers we need.

So it is tough. We have done some things to increase recruiter manning, to put more recruiters in those hard to recruit areas we have in certain parts of the country.

However, something that continues to hurt us is the availability of assets from Congress. You know, our recruiting advertising budget was cut again this year. You can't do more with less, and it is really hurts us when the visability advertising gives us is not present.

Of course, the New GI Bill helps. Any kind of monetary benefit you can give an applicant is going to help more people to serve.

A different trend that we have seen recently compared to the other services, is that the quality of the Navy applicants has declined over the last 6 or 8 months. And I think that is caused by increases in our objectives, our goals.

We have to take more less-qualified people, non-grads specifically, than we were taking before, because before we could pick and choose who we needed with lower goals.

Mr. Montgomery. Sergeant Fender, what can you add to what has been said, the points we might not have covered with your colleagues, talking about the New GI Bill and recruiting?

Sergeant Fender. Well, the New GI Bill and recruiting——

Mr. Montgomery. You might talk into the mike.

Sergeant Fender. Excuse me. The New GI Bill and recruiting, as far as the Air Force is concerned, it is an excellent tool. We use it along with our other programs to show the individuals how they can use the New GI Bill with our tuition assistance program, our Community College of the Air Force, which is an associate's degree program in the Air Force, and then to use that on down the road for their bachelor's degree and master's, or whatever.

And it is a good sales tool.

Mr. Montgomery. Only one other question to you non-commissioned officers. What changes—do you recommend any changes in the next year pertaining to the New GI Bill?

Sergeant Warnock. Mr. Chairman, one of the changes that I see that is going to be a necessity pertains to the reserve portion of the New GI Bill, and that is the thing with the bachelor's degree. A person coming into the reserve, if they already have a bachelor's degree, this program doesn't help them.

And I think that needs to be changed, where the GI Bill, as far as the Army is concerned, they can use it for masters, doctorates, and so forth. Those are some of the changes that I think need to take place.

Mr. Montgomery. That is a good point. I am glad to get that on the record.

Master Chief Johnson. Mr. Chairman, I would like to see an opt in opportunity for anyone during their entire enlistment. As long as they could pay the $1,200 before the completion of their enlistment, they should be able to get the benefit for their service to country.

Mr. Montgomery. Say that again, you lost me.

Master Chief Johnson. I would like to see the opportunity for a person to opt into the program at any time during their enlistment, as long as they were able to pay their $1,200 prior to the completion of their enlistment contract.

Mr. Montgomery. Well, of course, as you know, the way we have got it now, they have to opt out. You are telling me that—

Master Chief Johnson. That is right. You opt out, right. But you can't ever change that decision. You have to make the decision early on when you join, and you can never change your mind about it. And I think as people serve, that education benefit becomes more important to them, especially when they near the time they going to be making a decision to re-enlist or separate from service.

Mr. Montgomery. Say, if he opted out when he came into the service, then he stayed in for a year and a half, where he could opt back in, that is what you are saying, if he could put up to $1,200?

Master Chief Johnson. Yes, sir.

Mr. Montgomery. Thank you.

Sergeant Fender?

Sergeant Fender. Sir, I feel that lowering the $100 a month deduction would be probably one of the best benefits to me in selling the New GI Bill. It is quite a bit out of their pockets, and spreading it out over a longer term seems to make more sense to me, and we make it a much more salable program.

Mr. Montgomery. To reduce $100.

Sergeant Fender. Say, $60 over a 20-month period.

Mr. Montgomery. $60 over a 20-month period.

Let me ask you something, Sergeant Fender. Doesn't the average recruit, doesn't he get a pay raise after 4 months, or is it 6 months that he gets a raise if he fits into the service, of $140 a month?

Sergeant Fender. Right at 120.

Mr. Montgomery. I am just trying to find out for the record here.

Sergeant Fender. Prior to 1 October, with the pay raise we got then—

Mr. Montgomery. No, I am talking about his rank. I am moving from the second grade of a recruit that——

Master Chief Johnson. It used to be, in the Navy, you get automatic promotion upon completion of basic training. That is no longer true.

Mr. Montgomery. He doesn't get that any longer?

Master Chief Johnson. Not automatically, no, sir.

Sergeant Fender. Sir, in the Air Force, they are promoted to E-2 at the 6-month mark.

Master Chief Johnson. About 6 months is when they get their first—

Mr. Montgomery. But then he gets, she gets $100 increase—I mean, he gets an additional $100.

Master Chief Johnson. About that, yes, sir.

Sergeant Fender. Approximately, yes, sir.

Mr. Montgomery. Sergeant?

Sergeant Parsons. Well, sir, I agree with all of that. I think they are all points that have to be fine-tuned. Whenever you open up a program of this magnitude, there are going to be people that sit back and start to dissect it. I can't answer for the other services, but I know that when you send young people to our recruit depots at Parris Island in San Diego, the first 2 weeks are a very critical time in which they undergo a lot of changes. They are unable to sit and try to plan their future. It is hard to make any decisions.

The 14-day limit must be moved out a little longer, to at least the completion of the training period. We need also to look critically at those who start to participate in the program and drop out and those who die in the service. Such issues as who gets the benefits have to be looked at.

So there are some slight changes that should be made. But overall, the program is a solid package, and just the fact that we have and can touch base with the New GI Bill again is what it is all about.

Mr. Montgomery. Thank you.

Thank you, Mr. Chairman.

Mr. Daschle. Thank you, Mr. Chairman.

Your last question was an excellent one. If we are going to get a program that works, it is you people who can give us the hands-on knowledge of what works and what doesn't. I think your recommendations were outstanding.

If this hearing has accomplished anything this morning, it is what you have just suggested to us. I think the idea of opting in makes eminent good sense. I find myself nodding in agreement enthusiastically, and I like the idea of reducing the payment and stretching it out. That, too, means that more people may participate in it.

What about refundability and transferability? Has that been an issue at all, as you have pursued this? If it has, how has it? If each of the four of you could address both of those briefly? Sergeant Warnock?

Sergeant **Warnock**. Okay, Mr. Chairman, I think that the refundability part, we do have applicants come in and they question the thing of them not being able to get their money back out of the program.

I think that if it was implemented to where the person could get their money back out, maybe upon ETS of the military, I think the program would still be intact; I don't think that a person that thought about it logically would spend 4 years, or 3 years, or 2 years of his or her life in the military and have that money in an account, and then upon ETS, pull it out, because of the fact they are losing the amount of money they are losing.

So I think that if you leave—put it in where the person comes in, and maybe upon ETS they can get it back, that that may help us out a little bit.

As far as the transferability, I would find it a comfort. I have two little boys, and I would find it a comfort to know that I spent 20 years of my life wisely, knowing that they were going to be able to pursue an education from the things I had done in my life. That was one of the benefits that I came in the Army for, and it has paid off.

So I think that is something that we need to look into.

Mr. **Daschle**. Thank you.

Chief Johnson?

Master Chief **Johnson**. Yes, sir, Mr. Chairman.

Refundability, I am not sure how much that would help us. I don't really have a good feel for that. I haven't heard it talked about by our recruiter.

Mr. **Daschle**. No one has brought it up?

Master Chief **Johnson**. No sir.

Mr. **Daschle**. "Can I get the money back?"

Master Chief **Johnson**. I am sure it keeps some people from joining up, but I don't have a handle on whether it is 1 percent or 50 percent, so I would rather not talk to that one.

The transferability is talked about a lot.

Mr. **Daschle**. It is?

Master Chief **Johnson**. I think that——

Mr. **Daschle**. It is an asset?

Master Chief **Johnson**. It definitely is an asset, and it would really impact on retention in all the services.

Mr. **Daschle**. You are saying it would impact on retention?

Master Chief **Johnson**. Yes, sir. I think it would impact more on retention than enlistment, but definitely on retention.

Mr. **Daschle**. Sergeant Fender?

Mr. **Montgomery**. Would the gentleman yield?

Mr. **Daschle**. Yes.

Mr. **Montgomery**. It is really kind of out of our hands now, on that, Mr. Chairman, in that we did recommend it, and then the chiefs of the services, or the administration did not recommend the transferability.

And I don't think we will be able to get it. I don't think we probably should even try, unless the services come back in and change their position, and say they want the transferability, but I think it is good to bring it out and get it on the record.

I think it has a lot of merit to it. And what our idea is, as I said earlier, it came from the services themselves, and when they feel strongly enough about it, then I think we can take another look at it.

Mr. **Daschle**. Well, I think that you are absolutely right. It is an issue upon which we work together. But if what I hear the Chief saying, that it would be a key factor in retention, I think it is important as we evaluate whether the program works or whether it doesn't, that factors such as transferability be considered.

Sergeant Fender?

Sergeant **Fender**. Mr. Chairman, on the aspect of refundability, I feel that that is an objection that I have to overcome a number of times in my dealing with individuals wanting to pursue an Air Force career, is the fact that they say, "Well, if I don't use it, do I get my money back?"

Of course, you can overcome that by saying, well, after 10 years—you have 10 years after you get out of the Air Force to use it, and surely, you can find something you would like to take as far as education to use up your benefit. However, that is a common objection I get.

As far as the transferability, I haven't had to address that very much, except when I deal with married couples, and then they want to know if their wives can take advantage of the New GI Bill, also.

So that has been my experience, sir.

Mr. **Daschle**. Sergeant Parsons?

Sergeant **Parsons**. Yes, Mr. Chairman, mine is the same as his. I have not had any problems at all with transferability. It is refundability that we will question. I think that transferability should be looked at more along the lines of the careerist, someone who is already in. If we can get a program so careerists can use the New GI Bill, they are the ones who will be concerned with transferability.

We don't deal that much at the recruiting level, at least I do not in the Marine Corps, with married personnel coming in. We deal proportionately more with the single person. And they are just looking at today, tomorrow, and the next 4 or 5 or 6 years, and refundability, not transferability, is the issue.

Mr. **Daschle**. Let me just ask a final question.

The last panel, at least the Navy representative, indicated that the Army College Fund was in large part the cause for the difference between Army recruitment—I should say Army participation and participation of other services.

There is a difference of 55-percent in the Marine Corps, 35-percent in the Navy, 38-percent in the Air Force, 50-percent in the Coast Guard. So there are some differences. Aside from the Army College Fund, what would you guess is the cause of the difference? Chief Johnson?

Master Chief JOHNSON. Yes, Mr. Chairman, like I said earlier, I really think that we got behind the eight ball up front. We didn't market it very well, we didn't sell it very well, we didn't even do a very good job in presenting it to the recruits at boot camp when they were tasked with making the decision on whether to participate or not.

But I think we have put some things in place that are going to improve on that. We have got some professional people in the RTCs giving the information brief, and making the sell at basic training. Our recruiters are using it more in the field, as part of their overall benefits package.

And like I say, we can't use the New GI Bill up front, because we play into the Army's hands with the Army College Fund. So we have to be smart about how we sell it, but we do sell it. It is an important part of our package, and I think you will see some improvement in the area of Navy participation.

Mr. DASCHLE. You are a remarkably candid witness, and I am grateful for that refreshing candor.

Sergeant Fender?

Sergeant FENDER. Sir, the Air Force is 38 percent. I guess we are not on top, but as I said earlier, the Air Force uses the New GI Bill in conjunction with our other educational opportunities, and when the individual recruiters are selling education, we talk about the Community College of the Air Force and that their courses, technical courses, are college credited.

We stress that we have good educational offices, and the colleges are on base, and it is my personal opinion, sir, that to a certain extent, our lack of participation is because the education is available in-service, sir.

And again, that is my personal opinion. However, we are adjusting a couple of things in basic training, also, to help our participation rate, rather than making them make this choice on the same day of—they are briefed on it, we brief them on, I believe, day 2, and have them make the choice on day 7, which gives them some more time.

We encourage them to write home to Mom, to call Mom, so there is a lot of input—we are tuning our system a little more, and I think you will see an increase also, sir.

Mr. DASCHLE. I think Sergeant Parsons said it so well, though. I mean, can you imagine, we have all gone through our own experience in that regard. I remember when I was 7 days into it, the last thing I was thinking about was, well, let me think, do I want to take advantage of the New GI Bill or not?

The last thing you are thinking about is education that is down the road. You are worrying about getting out of there alive, you know, basic training, and all this.

I think your recommendation is a good one.

By the way, Sergeant Fender, I know that just by being selected, all of these recruiters are exemplary in their service, but you, on my witness list, are listed as the outstanding Air Force recruiter, and I commend you. I applaud you.

Anyone who excels in their given responsibilities and profession as you have deserves more commendation than this chairman can provide. But for what it is worth, we are very proud of you.

Sergeant FENDER. Thank you very much, Mr. Chairman.

Mr. MONTGOMERY. Mr. Chairman, this is the only committee that applauds witnesses.

Mr. DASCHLE. Sergeant Parsons, the Marine Corps, without having the advantage of the Army College Fund, can boast, of the other services, having the highest participation rate of 55-percent. Do you have anything to add to what has already been said about aggressiveness with regard to participation here?

Sergeant PARSONS. I don't know, Mr. Chairman. I am in a rather unique situation in the Marine Corps. We, at the recruiting level, at least in my sector, I can't speak for all of America out there, but we don't put someone in the U.S. Marine Corps by, talking up front about benefits. We have to sell them the Marine Corps. You can't get through 12 weeks of recruit training worrying about whether you are going to get a GI Bill, although it is important, we do support it, and we will be pushing it more and more aggressively. We just have not been able to combat the Army College Fund. It is out there and we are well aware of it, but again, we go for an entirely different person. When someone comes in to us, they are looking not only for tangibles, but more importantly, intangibles, and we deal from that side of it. So I do have an edge, and we are doing very well.

Mr. DASCHLE. You just want a few.

Sergeant PARSONS. That is right, sir.

Mr. DASCHLE. Men and women, I assume, given the general's testimony this morning. Well, listen, thank you all. We appreciated your candor, the information. It is not often that witnesses come before any committee without the advantage of prepared statements which have been reviewed and over-reviewed and turned inside-out with statistical data.

You came up without any formal preparation. I have always felt that that is probably the most productive, because we can really get down to what we are here to talk about.

Thank you all very much.

Mr. DASCHLE. I am reminded that without a statement, OMB can't get involved in censoring statements, so that is another good reason.

Our final panel for today is one that I had some interest in as long as I have been in the Congress. We will be hearing from Mr. John Sheehan, senior vice president, Government and Technical Affairs Division of the Aircraft Owners and Pilots Association; Mr. Glenis L. Harrell, president of the Harrell Construction Co., Home Builders Institute; Mrs. Bertie Rowland, the president of National Association of Veterans Program Administrators accompanied by Dr. Edward Keiser who is immediate past president of the National Association of Veterans Program Administrators and Dr. Kathleen Arns, provost, College of Lake County, Grayslake, IL.

If those witnesses will come forth, we will take their testimony at this time. We welcome you all to the hearing this morning. It has been an interesting day for me. We learn a great deal at these hearings, and I think you can provide us with a completely different dimension as we look at how the New GI Bill may be improved upon or how you see it today.

As a member of AOPA, right out front, I will tell you, Mr. Sheehan, we are delighted you are here. I have always been an advocate of pilot training and the need for pilot training as we look to the needs of the future. I am very interested in your comments. Let's begin with you.

STATEMENTS OF JOHN J. SHEEHAN, SENIOR VICE PRESIDENT, GOVERNMENT AND TECHNICAL AFFAIRS DIVISION, AIRCRAFT OWNERS AND PILOTS ASSOCIATION; GLENIS L. HARRELL, PRESIDENT, HARRELL CONSTRUCTION CO., HOME BUILDERS INSTITUTE; BERTIE ROWLAND, PRESIDENT, NATIONAL ASSOCIATION OF VETERANS PROGRAM ADMINISTRATORS, ACCOMPANIED BY EDWARD C. KEISER, IMMEDIATE PAST PRESIDENT, NATIONAL ASSOCIATION OF VETERANS PROGRAM ADMINISTRATORS; AND KATHLEEN ARNS, PROVOST, COLLEGE OF LAKE COUNTY, GRAYSLAKE, IL

STATEMENT OF JOHN J. SHEEHAN

Mr. SHEEHAN. Thank you. I appreciate the opportunity to testify before you, and it is also interesting to note that I have a chairman with a sympathetic ear. That's not often the case when I come before this Congress to testify.

Just for the record, the Aircraft Owners and Pilots Association is a membership representation group that represents the interest of over 265,000 owners and pilots in the United States. One of the central portions of our corporate charter is to see that general aviation survives, and hopefully thrives.

This morning I have heard a lot of testimony that speaks eloquently of the New GI Bill, and what it can do for our Armed Forces. I would like to speak a little bit about one particular portion of what used to be one of the most attractive portions of the GI Bill, and that is flight training.

I think I would like to state right from the beginning that I think flight training under the GI Bill took a bum rap back in the late 1970's and the early 1980's. We have been without a flight training provision in the GI Bill for almost 5 years now, and I think it is a shame from the standpoint of equity, to single out one particular portion of a vocational effort under the New GI Bill, and just because there may have been a few, and I emphasize a few, abuses of this particular program to cancel entirely.

I would like to address some of the concerns of the late 1970's concerning flight training, the things that led to the demise of flight training. One, and perhaps most damning, was the 1979 GAO report. It stated that only 16 percent of flight trainees had full-time jobs in aviation. Upon closer scrutiny, this turned out to be an unfounded statement and rather specious, I might add, on GAO's part.

They went to IRS records to say, "What is your occupation," and looked at tax returns to do so. And they used a very tight, constrained definition. Unless you reported yourself as a professional pilot, or an airline pilot, you weren't involved in aviation as far as they were concerned.

General aviation provides a very interesting business tool, much the same as an automobile or a word processor or even an airline trip.

It allows a businessman to expand his time, to make himself more profitable and more useful. He doesn't have to be a professional pilot to use that training.

I'll use myself as an example. Every April 15th when I rush down to the Post Office to file my income tax return, I just scribble in my occupation as association representative, but through the benefit of veteran's training, I received both a masters degree in business administration and several advance pilot certificates.

I could not have gotten the job I have today, that I have held for over 5 years now, without those two particular types of education, yet by looking at my occupation, there is no way to tell that I had any relationship with aviation, so I challenge the GAO report from that standpoint.

In 1978 a VA report came out and said that trainees were too ready to accept part-time occupations. There is a reason that a brand new trained professional pilot has to accept a part-time occupation. He can't survive unless he does, because at the entry level, let's say a flight instructor clearing $10 an hour, and only instructing a maximum of 30 hours a week, I think it is easy to see that is difficult to put food on the table. So of necessity, right after he receives his entry level credentials through the flight training program, he has got to take a part-time job, and then as he builds up his experience in time he can go ahead and make it a full-time job.

There have been about 170,000 people who received flight training under the GI Bill. This is a very small portion of the over 8 million people who have received veteran's educational benefits. To single out that one small—and that works out to 2 percent of the total—amount of people and say just because of a few abuses nobody can participate in this very valuable vocational training, I think is wrong.

I guess from a national standpoint it is even more important to realize that we need pilots. The burgeoning airlines in the era of deregulation have created an extreme need for pilots, something that we haven't needed for a long time. We will have to grow our professional pilot population from 90,000 in current terms to over 115,000 in the next 10 years.

This is placed against declining student population, declining commercial pilot population and perhaps more important, an aging commercial pilot population. Over the last 15 years, the number of certificates issued to commercial pilots has decreased 58 percent, and the pilot population for that same group has aged 11 percent. The average age of a commercial pilot today is almost 43 years old.

It doesn't sound old, but think of all those people that are above 43. How are we going to grow this number of pilots by the year 1995? And I say this in view of the fact that it is expensive to get commercial pilot certificates an instrument rating and a flight instructor certificate. These are all entry level credentials if you are going to be a professional pilot.

Remember, in order to be eligible for flight training, you must first have a private pilot certificate. This will have cost you over $3,500 out of your own pocket. To get the other entry level certificates will cost you close to $16,000, very, very difficult to afford in today's dollars. It would certainly be more affordable—and I think in the national interest to pay the 90 percent the New GI Bill used to offer for flight training. So I implore you all to consider flight training for the New GI Bill from the standpoint of equity and the standpoint of the national requirements.

Thank you very much.

[The prepared statement of Mr. Sheehan appears on p. 175.]

Mr. DASCHLE. Thank you, Mr. Sheehan. You make an excellent case. I am sensitive to it, because in a State like South Dakota we have farmers who must rely as much on their airplanes as they do on their tractors in some cases. They have 10,000 acres and they must fly to town 40 and 50 miles away to pick up parts. They do that with frequency—lawyers who do the same thing, doctors. Air travel in a State as rural as South Dakota is commonplace, and without the ability to fly, you simply don't have the ability to provide service. It is absolutely crucial.

I think you really hit the nail on the head regarding that GAO study. It was one of the most inaccurate and misrepresented studies that GAO has ever provided. I think they did a real disservice because you don't have the opportunity to list lawyer pilot, farmer pilot, businessman pilot, politician pilot. You list one thing and that's it.

But I could talk forever on that, and I appreciate your testimony. If I have anything to offer to the committee, it will be that at some point in the future we reeexamine this issue, because I think we can make a very very strong case.

Mr. Harrell?

STATEMENT OF GLENIS L. HARRELL

Mr. HARRELL. Thank you, Mr. Chairman, and distinguished members of the subcommittee. My name is Glenis Harrell. I am the president of Harrell Construction Co. in Jacksonville, FL. I am also the president-elect of our local builders association, the Northeast Florida Builders Association.

I am pleased today to make this statement on behalf of the Home Builders Institute, which is the educational arm of the National Association of Home Builders. The Home Builders Institute administers hundreds of apprenticeship training programs across the United States; these training programs provide our 138,000 corporate members with skilled workers required to build the homes in our country.

Mr. Chairman, you have a copy of my printed statement. I am going to assume that you have or will review that statement, and I will then summarize in hopes that the amount of time I have left will allow me to entertain questions from your subcommittee.

Veterans are very important to our training program basically for three reasons. Number 1 is that veterans come to us with a very strong work ethic aquired from the military. Number 2, they often have transferable skills that they have obtained while in service. Number 3 and equally as important is that generally they are a little older and a little more mature and are often times ready to make a firm career commitment, which is something that is very important to us, because our apprentices are required to make a commitment, and their employers are equally required to make a commitment.

For these reasons, we were alarmed to discover that the New GI Bill contained a serious but perhaps unintentional omission. The law provides currently that benefits would only go to those veterans that choose to go to college, rather than an on the job training program or apprenticeship program.

We feel that there is a problem of two parts equity and economics; equity means that it should be their choice to decide which career avenue to pursue, and I would think that that would certainly be something that the recruiters who were here earlier would certainly agree with me on. And from an economic standpoint, after a veteran goes through the 2 years of college and has received the benefits, generally he has received something in the neighborhood of $9,000 from the VA for that education.

After that same student goes through our apprenticeship program for 2 years, he has paid only $4,000, so that we can put that person to work in the community for half the money it would cost if he were going to a college, and not everybody obviously feels it is necessary to go to college.

In short, Mr. Chairman, and members of the subcommittee, please take a closer look at this issue. The Senate Veterans Affairs Committee has restored this vital provision as a part of their work on the Veterans' Compensation and Benefits Improvement Act in 1985. I ask you to support this action. We need your help to insure that the deserving veterans are not dissuaded from entering apprenticeship or on-the-job training programs because the VA benefits are not equitably available.

I urge you to reinstate the payment of educational benefits to the veterans enrolled in apprenticeship and on-the-job training programs. Thank you.

[The prepared statement of Mr. Harrell appears on p. 178.]

Mr. Daschle. Thank you, Mr. Harrell.

Mr. Rowland?

Ms. Rowland. I would like to defer my testimony until after Dr. Keiser's formal testimony for NAVPA.

Mr. Daschle. Dr. Keiser.

STATEMENT OF EDWARD C. KEISER

Mr. Keiser. Thank you, Mr. Chairman. I appreciate the opportunity to be here before you and the distinguished members of the subcommittee. We submitted our written testimony and our comments this morning will be very brief in lieu of the time commitment you all have.

NAVPA is composed of representatives of colleges and universities who are responsible for administering campus-based veteran programs and then certifying veterans for their GI Bill benefits. We represent individuals who are on the front line, serving all GI Bill recipients and working with veterans in submitting all required paperwork, certifying and monitoring academic status and assisting veterans in coping with the complexities of the VA regulations and delays in payment and so forth.

Our testimony today is presented in three segments: one, the new chapter 106 and chapter 30. Two problems and concerns of colleges and universities under the old GI Bill and VA regulations and then what might be done to facilitate implementation of a more constructive cost-effective relationship between and among veterans, the VA, and colleges and universities.

As educators, we applaud the Congress for enacting chapter 106 and chapter 30. Chapter 106 encourages the recruitment and retention of qualified capable reservists personnel. Recent VA data indicates that approximately 6,600 participants are currently being paid under 106 for the autumn term of 1985. This number will increase substantially as the necessary paperwork is completed.

The average processing time ranges now from 4 to 8 weeks. VA has revised its estimate of the potential use of the New GI Bill from approximately 35,000 up to 51,000 for 1986, and to 97,000 by 1988. The slow start of this program results from the fact that accurate information and forms have not filtered down to many of the Reserve and Guard units. Increased cooperation between the VA and the Department of Defense should rectify this situation.

We urge your consideration of two changes in the current chapter 106 legislation. We propose that a reservist be allowed to attend college on a less than half-time basis and be reimbursed the cost of instructional fees consistent with the past GI Bill. One might describe a current reservist as being married, working full-time, having one or two children, trying to buy a home, and then having Guard or Reserve duty on the week-end. The requirement of taking a half-time course load may be the straw the breaks the camel's back and discourages rather than encourage utilization of that benefit.

As a matter of fact, if a veteran were to start into that program and find himself placed in a position where he had to drop one of the two courses, the overpayment situation would skyrocket because they would not be paid under current law. We urge your consideration of this proposal.

Approximately 17-percent of the current reservists have already earned their bachelor's degree. These individuals are the better trained and qualified personnel. And we urge a legislative change be made to allow benefits to this significant population, permitting them to take graduate courses which will enhance and encourage their retention.

Under chapter 30 the current law requires certification after the period. This has been interpreted by VA to mean month-by-month certification in their proposed regulations. Unless changed, this proposed regulation will require colleges and universities to institute procedures for taking daily attendance. Implementation of this regulation would amount to Federal intrusion into institutional integrity and autonomy of the higher education community.

Under current procedures, new recruits have only 2 weeks in which to make a binding decision on whether to participate or not participate in the program. We urge that that time frame be extended. We have heard testimony early today that others are concerned and consideration ought to be given to this proposal. We urge the two programs under the old GI Bill be considered for inclusion in the new chapter 30 bill, that being the advanced pay program and the VA work/study program. The VA work/study program has been the most cost-effective program particularly for colleges and universities, veterans' hospitals and other Veterans' Administration posts.

The second major area of our presentation today addresses problems of concern under the old GI Bill. First, we contend that colleges and universities have unfortunately been perceived as the culprit in the educational overpayment situation. This perception has allowed and legitimized the VA's imposition of more and more restrictive regulations which have impacted negatively on veterans and on institutions of higher education.

For example, in February of 1985, the VA indicated the educational payments amounted to $525 million. However, this figure of $525 million included $191.8 million that had been put back into those figures in June of 1982 from past account that had been written off. As of June 1985, VA alleged institutional liability or responsibility in the amount of $7.1 million. Of that amount, $941,000 has been determined not to be institution responsibility. As of June 1985, the remaining amount is $6.2 million that might be considered potential school liability. If this amount were determined to be institutional responsibility, which is unlikely, the amount would constitute less than 2-percent; 1.86-percent of the adjusted $333 million overpayment problems.

The major cause of the overpayments are embodied in the VA regulations of the New GI Bill, delays in processing and the lack of aggressive collection on the part of the VA. Issues that contribute to the overpayment condition are the VA's definition of academic pursuit 30 days from the event, seat time, standard class session time, calculation of accelerated terms and the requirement of only taking courses that apply one specific degree objective.

The VA, through these regulations have attempted to define what is and is not education and to measure that process through the concept of seat time. An example of the continuing efforts to overregulate is the term-by-term concept that is presently under discussion.

Finally, enactment of chapter 106 and chapter 30 provides the opportunity and the incentive to start fresh and to update the law and the regulation. We support an omnibus bill that would provide a new start by focusing all related concerns in a comprehensive and integrated package.

We recently received notification from VA of the 225th change to the old regulation. There is a need to stop this kind of activity and start fresh. Currently several bills are under consideration. For example, in the Senate there is S. 1207 and S. 1788. Both are intended to deal with current problems and in turn will necessitate, if passed and signed, many additional changes to the current regulation.

If the omnibus bill concept is not feasible, perhaps one provision of S. 1788, the establishment of a commission to study the problems and issues and to recommend solutions would be a viable approach.

Mr. Chairman, we deeply appreciate the opportunity to appear before you this morning. Our purpose is to make educational services as fruitful and as cost-effective as possible. We believe that the enactment of 106 and chapter 30 provides the opportunity and the incentive to constructively establish new regulations consistent with the current status of higher education in our technological society.

Ms. Rowland has recently finished a survey, and you may be interested in some of the information she has recently developed.

[The prepared statement of Mr. Keiser on p. 185.]

Mr. DASCHLE. If you could summarize, Ms. Rowland, we would appreciate it. We are way over the 5-minute rule here.

STATEMENT OF BERTIE ROWLAND

Ms. ROWLAND. Thank you.

I recently conducted a survey of 250 NAVPA schools and associations, and I would like to share the preliminary results of this survey with you today. In the 110 responses that I received, a total of 1,113 chapter 106 reservists were represented as certified by those schools.

My comments are based on this survey. The poll indicates that the schools are pleased with the program and the opportunity it provides. They see it as a positive force in strengthening the reserves, the individual, and even our society as a whole.

The poll did reveal, however, that there has been a great deal of confusion and an information void. The reserve units know about the program, but do not know how to administer it. The Veterans' Administration has also responded to this information void inconsistently. About half of the regions indicated that they had acceptable levels of VA support, while the other half felt that they had received little or no information from the Veterans' Administration.

Timeliness in payments is also viewed as a problem. Of the 1,113 reservists certified by schools, as of November 1, 1985, only 110 had received payment. Part of this problem can be attributed to the lack of specific application forms and part to a lack of clear concise directions and the complicated initial process related to determination of eligibility.

Another part of this problem can be attributed to the hand processing of these claims within the Veterans' Administration. Areas in which veterans coordinators feel the New GI Bill and Reservists Chapter 106 can be improved include developing a provision for less than half-time training. Further, the inclusion of vocational and graduate work should be investigated as being valid to the mission of the program.

The mission of the military is to attract high quality men and women into the services. In removing these people from the educational system during their period of service, admission requirements at colleges and universities tend to pass by the veteran. With this in mind, it is also thought by schools that remedial and tutorial services should be allowed, particularly with chapter 30.

While the military is marketing the program, the VA and the schools will be the source of customer satisfaction. The added workload on institutions should be funded at an appropriate rate and every effort should be made to streamline the reporting system and the VA regulations. Any proposal which increases the amount of paperwork required, such as term by term or monthly certification, should be subjected to the careful scrutiny of a benefit cost analysis.

This is a preliminary view of the survey, and I would be pleased to present you with written comments by the school, as well as a synopsis of the results.

Mr. **Daschle**. We would like that very much. Would you see that that is done when they are made available to you?

Ms. **Rowland**. Yes, I will.

Mr. **Daschle**. Very good. Dr. Arns?

STATEMENT OF KATHLEEN ARNS

Ms. **Arns**. Thank you. Mr. Chairman, we thank you very much for this opportunity to express to the committee our personal appreciation for the remarkable work that you have done in formulating this New GI Bill. As a member of the Joint Commission on Federal Relations of the Association of the Community College Trustees and the American Association of Community and Junior Colleges, I know the 2-year colleges want to see this program succeed. And we are delighted to be able to help with it and to monitor its progress.

Among the many very worthy purposes, we see that college training is becoming the cornerstone of our national security, and I say that very sincerely. And I have been sitting here this morning listening to a number of people testify and a number of them using the phrase, "quality recruit." And I kept wondering what that meant, and what I finally concluded that they meant was the educational level of people coming into the services and the educational level of people not only while they are in the services, but upon leaving. So I really think that it is clearly in the national interest that the colleges and universities go to very special lengths to see that the New GI bill works.

In talking to colleagues in other community colleges in the State of Illinois, I found that they were really excited about the New GI Bill, but I also found that this enthusiasm was becoming rapidly dampened by the fact that application forms and information materials were not readily available. My colleagues in the various colleges found that materials and directions from the VA were either scanty or non-existent, and as a result they were found that they were put into the embarrassing position of not being able to answer questions that students had about the eligibility for the New GI bill, and for the benefit contained therein.

We are impressed by another facet of the New GI Bill. We see that as softening the competition between the military colleges and industry, but what is rapidly becoming a very decreased number of high school graduates. We know that there will be a marked decline in the flow of high school graduates in the decade just ahead, and we note that the colleges are facing strong competition from employers in the Armed Forces for the available young people.

The New GI bill offers the opportunity to soften that competition by encouraging high school to mix roles. And we see, to borrow an old phrase from affirmative action, that many students will turn out to be two-fers and three-fers; that is, if the colleges take the lead in GI bill recruitment, students can easily handle a full college program and also a Reserve or a Guard commitment.

If they become three-fers they could conceivably handle a college program, a Guard or Reserve duty and a part-time job, which in many cases could be with the defense industry that would utilize the critical, technical skills that the students gain in the education the New GI Bill provides.

Should Congress and the administration agree upon deficit control measures that lessen in any degree at all student financial aid from the higher education act, the New GI Bill will emerge as the bulwark of college opportunity for the neediest students. The purchasing power of Pell Grants has slipped sharply in the last 5 years, and unless Congress manages to stabilize their purchasing power, more and more low-income students are likely to find the New GI Bill to be their best hope of a college education.

In preparation for this hearing, I polled colleagues at six other campuses on what their colleges, and you may be interested in their answers, when I asked them about the New GI Bill. Four of the six colleges have made attempts to publicize the New GI Bill to students and potential students. Two have made reference to it in their catalogs and their class schedules. One has highlighted it in postings and mailings. One has simply referred those asking about it to the regional Veterans' Administration office.

The remaining two have done nothing at all, chiefly because they have not received sufficient material and information from the VA to handle the program effectively. This lack of information has become a critical element which colors the thinking of every college administrator that I have questioned about the New GI Bill.

When I asked the colleges whether they had received the forms they needed to process the applicants who seek New GI Bill benefit, here were the answers: The first college said, "No. The VA said the proper form was not ready and to use the post-Vietnam application." The second college said, "It is my understanding there are no forms yet for the new program. Schools are supposed to use the VEAP forms."

The third one said, "Not yet. We are using forms from another program which causes confusion about what the New GI Bill offers." The fourth one said, "No, we have to use the VEAP forms until the new applications are available." And this went on and on. And I would like to suggest that the New GI Bill will be useful for recruiting, but unless it is workable, it will be less than useful for education.

The same confusion and doubt characterizes the responses to other questions I asked. Clearly, Mr. Chairman, the New GI Bill is presently crippled by an enormous information gap. When I asked the colleges what they might say about the New GI Bill in veteran education benefits if they were making a statement to Congress, here are some of the answers. "The program needs to be better administered with more timely information and clearer simpler answers for the veterans' questions." The programs are effective, beneficial to the workforce. They should be maintained and expanded."

The third college said, "Too many regulations. Too many changing." The fourth one said, "Retain and expand the veterans programs. They benefit the nation. Educational opportunities are very important to the veterans."

Certainly, Mr. Chairman, the colleges don't need the excessive regulations and excessive paperwork that go with the administration of the New GI Bill program. The excessive regulations just lead to inefficiency at every level.

The benefits would surely reach more veterans if there were less bureaucracy and they would be more happily served by the colleges if there were less paperwork and fewer audit abuses. The committee should take a long look at the lack of due process in the VA's behavior on audits. My colleague spoke to that point just a minute ago.

In their attempts to reach the National Guard and Reserve units and work with them on the New GI bill, our colleges are finding many unit commanders hesitant to allow college staffs to make presentations. Some commanders have questioned whether it would be fair to other colleges if one community college gave the presentation.

One community college financial aid officer in Wisconsin was invited by a local Army Reserve unit to make a presentation on the New GI Bill, and was very well received, yet was turned away by the National Guard unit in the same area. We attribute such hesitancy to the dearth of information.

We want the committee to know, Mr. Chairman, that the Joint Commission on Federal Relations of the AACJC and ACCT strongly supports S. 1207, Senator Thurmond's bill, that would direct the VA to track veterans in college on a credit hour basis, which is higher education's normal method of measuring pursuit. It would eliminate cumbersome tracking by clock hours. We urge your support for this bill.

I would like to close with two recommendations. We note that the colleges we have polled are unanimous in urging that the Veterans' Administration work with AACJC and ACCT to conduct workshops across the country to fully brief veteran program specialists from the colleges on the New GI Bill. Of course, such workshops should not be given until complete information kits have been published and disseminated.

We hope this committee will encourage the VA to give such workshops, preferably in every state. The second recommendation that I have is for the committee to look at the requirement that in order to be eligible for the Reserve to receive benefits that the individual has to have received a secondary school diploma or equivalency certification before completing initial act of duty for training.

I would like to suggest that since it takes 180 days or 6 months for these benefits to become a reality, that that time might be very well spent in having less than qualified people attend community colleges and remedial programs or GED preparation courses and in fact meet that qualification for the benefit to take affect.

Thank you again for this opportunity to express our views and concerns.

[The prepared statement of Ms. Arns appears on p. 208.]

Mr. **Daschle**. Thank you, Dr. Arns. I would, for clarification purposes, state for the record that as far as the forms go, as far as getting information out about the New GI bill goes, to a large measure we can't put the blame on the VA this time. We have to put it on the OMB. OMB has been holding up the forms.

They won't release the information. They have not approved the forms. They will not give the VA the go ahead to provide you with the kind of data that you need, and for the life of me, I can't understand it. That's another good reason to bring OMB before us.

Not only do they censor testimony, they censor the information provided the VA that you have to have, and it is outrageous. I don't know what kind of country this is when you have an organization that dictates on things as mundane, excuse me for using that word, as these forms. It is a tragedy, and I want for the record that it be clear that in this case the VA has done their work, and it is OMB, once again, that is the culprit of the day.

I want to say, Mr. Harrell, that the committee may be taking up the bill to provide for on-the-job training as well as apprenticeship training at some point yet this year. We are very interested in pursuing that. I think it is an excellent improvement to the program, and I am hopeful that at some point we can persuade the members of this committee to take that bill and to mark it up so that we can move it along.

The last objective as far as this chairman is concerned is to also include flight training. Mr. Sheehan, you have done the committee a real service by outlining with great persuasiveness the importance that the New GI Bill can provide in terms of educational benefits. And I think we have other members of the committee who share your view, and to whatever extent we can push that at this point, I would like to do so.

I think it is an essential element here that has been sorely missed in the last few years, and it is verified every time I go into to talk to instructors, to flight facilities in South Dakota and elsewhere. The one thing that most of these fix-based operators will tell you is that they don't have the opportunities to provide training like they used to because of the New GI Bill, or the lack of a GI Bill.

I would hope that the Congress understands that, and before it is too late, and before that average age gets up any higher than it is today, that we make the necessary changes to bring flight training in where it belongs, a bona fide part of the New GI Bill.

I was asked to ask one question of Dr. Arns. You are the Navy's largest contractor for outside technician training. Tell us a little bit more about the outside technician training program, and then how that program would be favorably affected by the New GI Bill.

Ms. **Arns**. Well, I am really glad you asked me that question, Mr. Chairman, because as I was listening to the testimony from the representatives from the Armed Forces, I was really surprised that someone didn't tie that in with the Navy need for great exposure of the New GI Bill.

We have a Navy contract at Great Lakes, IL, and we provide the instruction for nine of their technical training schools. We hire civilian instructors. Most of them are ex-military, and in that group—95 percent ex-military and about 60 percent ex-Navy. We teach schools like propulsion engineering, basic electricity, electronics, gunnery school, fire control school, electrician's mate school. We have an instructor training school, et cetera.

One of the things that we are doing that I think has a lot of implications for the New GI Bill, a year ago we formed a committee made up of our professors over at the college and started to look very closely at the technical content of the schools that we were teaching for the Navy. Fourteen months later we have now reviewed three of those technical training schools, have translated the material into credit lecture lab, college courses, because we had determined that what we were teaching at Great Lakes was very similar and in many cases identical to the occupational programs in the community colleges.

Once we did the translation of that enormous technical and training content into an equivalent credit lecture lab, we had that approved through the Illinois community college course, but we are now awarding college credit for the technical training that we are giving at Great Lakes. And it would seem to me that this would fit in very well with the New GI Bill, because it provides the blue suiter with college credit doing for the Navy what he has to do in terms of technical training and gives him a basis for pursuing other college courses.

We expect that—we just started registering students into these classes, and in 6 weeks we have registered 2,000 students and I think that is testimony to the enormous interest on the part of the Navy recruits in college courses. We expect that we will now show an increase in other college courses as a result of this because once the blue suiters find that they have college credit, that is just an incredible motivating factor.

Like the community college and the Air Force, I think this can be tied into a very effective recruitment campaign by the Navy. Our contract calls for the training of approximately 30,000 blue suiters a year. We have 500 instructors who are working at Great Lakes for us, and the total amount of the contract is close to $17 million.

We started out very small. Great Lakes is a community college district and the Navy came to us because the technical training school flow through was obstructed because they did not have enough teachers and recruits were coming in and sitting there for 6 weeks before they were able to go to school. They then came to us and starting using the contractual training, and it has been very effective. And I think on both sides of the fence we have been very satisfied.

Mr. DASCHLE. It sounds like it. Well, very good. Listen, thank you all. We have enjoyed your testimony. We really appreciate you coming before the committee this morning.

The committee will stand adjourned until Thursday next.

[Whereupon, at 1:15 p.m., the subcommittee was adjourned subject to the call of the chair.]

OVERSIGHT HEARINGS ON THE NEW GI BILL

THURSDAY, NOVEMBER 21, 1985

House of Representatives,
Subcommittee on Education, Training
and Employment,
Committee on Veterans' Affairs,
Washington, DC.

The subcommittee met, pursuant to notice, at 10:20 a.m., in room 334, Cannon House Office Building, Hon. Thomas A Daschle (chairman of the subcommittee) presiding.

Present: Representatives Daschle, Montgomery (ex officio), Evans, Kaptur, Gray, and McEwen.

OPENING STATEMENT OF CHAIRMAN DASCHLE

Mr. **Daschle.** The hearing will come to order. I'm sure that our ranking member, Mr. McEwen, will be here in just a moment. We had a vote which explains our delay. My apologies to all our witnesses and those attending the hearing today.

This is the second day in a series of hearings that we're having with regard to the New GI bill. Before we begin today's hearing I want to address an issue of great concern that came up when the subcommittee met last Tuesday to review the implementation and impact of the New GI Bill.

The Office of Management and Budget insisted on pulling and altering testimony which had already been submitted to the subcommittee by the armed services. These changes involved not only the revision and deletion of remarks regarding recommended legislative changes, but OMB also substantially revised or eliminated testimony which presented statistical information favorable to the GI Bill.

This censoring of information is absolutely unacceptable. I am outraged by OMB's efforts to frustrate the ability of this subcommittee to carry out its oversight responsibilities. the New GI Bill is an educational assistance program which we believe will contribute substantially to the national defense through increased recruitment and retention of high-quality servicemembers. Efficient and enthusiastic implementation of the program, however, is necessary if the program is to realize this goal. It is this subcommittee's responsibility to ensure that the New GI Bill is being implemented as intended by Congress. I will not tolerate OMB interfering with the work of this subcommittee.

Accordingly, I had a letter hand-delivered to the Director of the Office of Management and Budget immediately following the hearing on Tuesday. In this letter I requested the Director or his representative to appear before the subcommittee this morning to explain OMB's censorship of oversight testimony. Later yesterday afternoon OMB refused to appear at this hearing.

I want to make it absolutely clear that the next time this subcommittee meets to review the New GI Bill I expect OMB to appear and explain its actions. I am fully prepared to ask the chairman to have the committee issue a subpoena, if necessary, and I believe we will have the support of not only the chairman but the members of this committee to do so. We, on this committee, simply cannot allow OMB to present its views disguised as those of other agencies and departments. I feel very strongly about this and you can be sure that we will pursue it with tremendous vigor.

Having said that, I want to welcome all of you to the hearing this morning as we continue our deliberations. On Tuesday our emphasis was on the educational assistance program provided by Public Law 98-525 for the active duty members of our Armed Forces. Today we will primarily review the new education program established for members of the National Guard and Selected Reserve.

The National Guard and Reserves are important components of the total force policy for our national defense. I, in particular, have always felt that that was an ingredient overlooked in many cases as we tried to devise the overall implementation of that plan. They are the initial and primary source for augmentation of the active forces in any future emergency requiring a rapid and substantial expansion of the active forces. As such, it is critical that the Guard and Reserves stay fully manned by high quality personnel. It is the view of this committee that the availability of the New GI Bill will enable the Guard and Reserves to achieve this goal.

The so-called chapter 106 program became effective on July 1 of this year. Unlike the active duty program, guardsmen and reservists who completed certain eligibility requirements prior to the implementation of the program, and who on July 1, or later, re-enlisted or exended for 6 years, may begin using their educational benefits.

There are already 6,700 chapter 106 eligibles enrolled in school under the New GI Bill. I think this indicates a substantial interest in the program, but with approximately 400,000 guardsmen alone eligible for chapter 106 benefits, I expect the number of participants to increase dramatically.

We have a number of witnesses today, so I ask that each of you restrict your oral statement to 5 minutes. Your entire written testimony will, of course, be included in the hearing record.

Our first witness is going to be Mr. Raymond Vogel, the Chief Benefits Director of the Veterans' Administration. He is accompanied by Charles Dollarhide and Jim Kane. We invite those witnesses to come before the committee at this time.

Before I invite Mr. Vogel and his colleagues to present their testimony, I would invite our ranking member, who has just arrived, to make any opening statements that he wishes to provide at this time.

OPENING STATEMENT OF HON. BOB McEWEN

Mr. McEwen. Thank you, Mr. Chairman. I have some extemporaneous, impromptu remarks that I would like to share.

I want to say that I appreciate again your holding these hearings. We had a very successful day of hearings earlier this week, and I believe there is no greater contribution that we could make to national defense than assisting the Armed Forces in every way possible to recruit fine men and women to our Armed Forces.

We have learned thus far what we believed when we passed this legislation, that there is no better recruitment tool than the New GI Bill. Learning how we can strengthen it and change it and modify it for the benefit of our armed forces, and thereby for the benefit of all America, is our responsibility on this committee. I appreciate those who have appeared here today to assist us in that effort.

Thank you very much, Mr. Chairman.

Mr. Daschle. Thank you, Mr. McEwen.

If there are no other comments, we will proceed. Mr. Vogel, we're delighted you're here this morning. We understand you have an excellent statement and we will take it at this time.

STATEMENT OF RAYMOND J. VOGEL, CHIEF BENEFITS DIRECTOR, VETERANS' ADMINISTRATION; ACCOMPANIED BY CHARLES L. DOLLARHIDE, DIRECTOR, EDUCATION SERVICE, VETERANS' ADMINISTRATION; AND JAMES P. KANE, ASSISTANT GENERAL COUNSEL, VETERANS' ADMINISTRATION

Mr. Vogel. Thank you very much, Mr. Chairman.

Mr. Chairman and members of the subcommittee, I am pleased to be here today to brief you on our implementation of the New GI Bill, chapter 30, and the Selected Reserve Educational Assistance Program, chapter 106.

Since we knew we would have eligible trainees as soon as the program became effective on July 1, 1985, we devoted our greatest efforts to chapter 106. Our basic instructions were published in May 1985, and in June of this year we distributed application procedures. By the July 1, start-up date, every regional office was ready to process benefits. As of November 1, 1985, we had approximately 6,700 payees in our system.

To monitor the chapter 106 eligibles, we make a periodic tape exchange with the Defense Manpower Data Center. The tape exchange identifies reservists who are receiving chapter 106 benefits. Through a match of VA tapes against the DMDC records, we can now verify the reservist's eligibility and other identifying data.

We should not have any significant numbers of trainees until 1987 in the chapter 30 program. In preparing for this program, as well as the chapter 106 program, we have been meeting with program officials of the Department of Defense. We have found them to be very cooperative and helpful. As for our publications, the final copy of our basic circular was printed in July 1985. Work is now progressing on an appendix to the basic circular. This instruction will deal with the "nuts and bolts" of the actual automated processing.

Mr. Chairman, we have also been looking into alternative ways of processing chapter 30 claims. A special task force decided on the use of optical disk storage as an alternative filing system. The concept is a major part of the Department of Veterans Benefits modernization plan. This new system will give us faster access to veterans' files and, therefore, permit us to give veterans better service. If this system works for chapter 30 processing, we would want to adapt it to other benefit programs.

Our education program officials have provided briefings on chapter 30 and chapter 106 to representatives of the major educational associations and interest groups. At the field level, a number of stations have briefed or plan to brief their local Guard and Reserve units about the chapter 106 program.

At a recent DVB regional officers directors' conference, we provided each director with a handout containing talking points on the two new programs. They were also given a computer diskette to obtain chapter 30 and chapter 106 data from the central computer system.

In summary, Mr. Chairman, we are on schedule with our implementation of the New GI Bill. As for chapter 106, that program is off and running.

That concludes my statement, Mr. Chairman. I would be pleased to answer any questions from you or other members of the subcommittee.

[The prepared statement of Raymond J. Vogel appears at p. 273.]

Mr. DASCHLE. Thank you, Mr. Vogel.

Chairman Montgomery?

Mr. MONTGOMERY. Thank you, Mr. Chairman. I am looking forward to hearing from the Reserves and would like to welcome the Veterans' Administration officers. We need their help in making this GI Bill work.

Thank you, sir.

Mr. DASCHLE. Mr. Kane and Mr. Dollarhide, do you have statements?

Mr. DOLLARHIDE. No.

Mr. DASCHLE. I didn't think you did. Okay.

Mr. McEwen.

Mr. MCEWEN. Thank you, Mr. Chairman.

At Tuesday's hearing a witness testified that institutions of higher education do not have from the VA the application forms and other information for the New GI Bill program which they need. Can you share with me whose responsibility, if any one, it is for getting this information out?

Mr. DOLLARHIDE. Yes, sir. We have responsibility for that, Mr. McEwen.

Now, in mitigation, I would have to say there were restrictions on our ability to do things by reason of the impact of a reduction in our printing budget and a moratorium on printing which was encountered from June to August of this year. It did limit us somewhat in our ability to do things like we anticipated when we started. We are now working out of that.

I think I can tell you that in the process that's going on out in the field today there is good coordination, I think excellent coordination, between the VA, the Guard and the Reserve units. We are catching up in these shortcomings with the educational community and working very hard at it.

Mr. McEwen. Do the services have the capacity to print forms? You mentioned a moratorium on the printing. Is there any other——

Mr. Dollarhide. I would have to defer to the services on their budget. I know the impact on the VA was by reason of——

Reservists has to have, before we can even talk to him, a notice of basic eligibility which the Guard and Reserve furnishes him. In turn, he takes that and matches that with——

Mr. McEwen. Okay. My only concern is, if you've got the institution and they need the forms, is the moratorium on printing in the VA a complete frustration of the ability of GIs to participate with a particular institution?

Mr. Dollarhide. Reservists has to have, before we can even talk to him, a notice of basic eligibility which the Guard and Reserve furnishes him. In turn, he takes that and matches that with——

Mr. McEwen. Okay. My only concern is, if you've got the institution and they need the forms, is the moratorium on printing in the VA a complete frustration of the ability of GIs to participate with a particular institution?

Mr. Dollarhide. The impact, Mr. McEwen, was on the VA and its ability to get out forms as fast as we wanted to. I cannot answer the problem with——

Mr. McEwen. Okay.

When can we have some assurance that all of the institutions have the information they need?

Mr. Dollarhide. I think currently I can say with some certainty, because I've checked a number of field stations, that they are catching up and doing this currently with the schools. They are also meeting with them and also meeting with the Guard and Reserve people. So this thing is coming together. It's too bad that our problems in printing did have an impact on it, but it did. So how soon? Within the next month I think everybody will be happy.

Mr. McEwen. Thank you.

Thank you, Mr. Chairman.

Mr. Daschle. Thank you, Mr. McEwen.

Miss Kaptur.

Ms. Kaptur. Thank you, Mr. Chairman. I'm just happy to be able to be here today for a little while. I have a conflicting hearing which I must get to, since my city is the subject of the hearing.

I just wanted to say this past weekend I had the opportunity to go to an event in my home district and hear the Air National Guard unit—they had a special band. One of the women came up to me and she said, "Listen, I just want to thank you for the educational benefits that are provided through the GI Bill because that's how I was able to complete my education."

I just think this whole effort to try to gain capable people in the armed services and help them to gain their own education through the process, and then expect some sort of service for that, is a wonderful thing. This particular unit was one that I think was just excellent and I was so happy to see that both men and women are moving into the program and excellent people are graduating.

Thank you.

Mr. **Daschle**. Thank you. You have a sensitivity to these issues that comes out every time you come to the committee. We're delighted you're here and hopeful that we can continue to benefit from your thinking and your experiences out there. I appreciate your coming this morning.

I'm troubled, frankly, Mr. Vogel. Let's talk about this a minute. What you're saying is that there was a moratorium on printing from June through August which prevented you from printing in November. Is that what you're saying, Mr. Dollarhide?

Why are we waiting until December to print something that was the subject of a moratorium last summer?

Mr. **Dollarhide**. What we are talking about, Mr. Chairman, is chapter 106. Initially we planned a form which would cover not only chapter 106 but also chapters 30, 34 and 35, and the section 903 program of the Defense Authorization Act which we also administer. Our goal was to combine five programs into one application. The printing moratorium impacted on our ability to do that timely.

Now, the form is under review right now at OMB, but it has only been there since November 6.

Mr. **Daschle**. Excuse me, but I lost you. You said that the moratorium ended in August——

Mr. **Dollarhide**. Yes.

Mr. **Daschle**. Then what about OMB on November 6?

Mr. **Dollarhide**. Although the moratorium ended in August, what had been created during the moratorium was a tremendous backlog of printing for all of the VA, not just this program. So this particular form we wanted out had to get in the order of priorities. The internal problems with that caused us delay in getting it to OMB until November 6. They are looking at it now.

Mr. **Daschle**. What would have caused the delay from September to—you're talking about 60 days there. Why such a long delay?

Mr. **Dollarhide**. Before you can even send a form to OMB, Mr. Chairman, there is an internal agency review process which is time-consuming. That has to be done under certain directives that we have.

Mr. **Daschle**. But why wasn't that done last July? Certainly, if there is a moratorium, you knew this was going to go into effect in July; why wasn't a submission made in May?

Mr. **Dollarhide**. Well, the point I would like to get to, Mr. Chairman, is this did not impact in any way our ability to pay because we had in the field the chapter 32 form. We had in the field a printed instruction which told everybody how to apply——

Mr. **Daschle**. How to apply for the New GI Bill?

Mr. **Dollarhide** [continuing]. For chapter 106.

Let me clear up some confusion here. chapter 106 is not the New GI Bill. chapter 30 is.

Mr. **Daschle**. That's right.

Mr. **Dollarhide**. But we were prepared to pay chapter 106 and we have been paying it and are paying it. There are no delays in payments that I'm aware of. Although we wanted to have that combined form ready for use before the program started, the restrictions on printing and the moratorium on printing delayed it and it is just now coming out.

Mr. **Daschle**. I think you're using it as a "whipping boy", Mr. Dollarhide. You still haven't told me why this form wasn't submitted in May. Why wasn't the form for chapter 106 submitted in May or June? It seems to me that you had the responsibility to submit this form and go through all your red tape and procedure last spring in anticipation of the fact the program was going to be available in July.

Mr. **Dollarhide**. Mr. Daschle, I guess we could talk about this all day. The point I want to make is that the delay in the form has not impacted on the chapter 106 program at all.

Mr. **Daschle**. Well, by your schedule, talking about it all day would still not be long enough. I think what we've got to understand is that we've implemented a program 6 months too late. If you were in the audience at the hearing a couple of days ago, you would have heard the school officials who have to administer this program had one major complaint. They said, "We don't have the forms even today, and we don't know when they're going to come. There's a lot of confusion about eligibility and what we do. We're still using the old chapter 30 forms to try to comply with chapter 106."

Now, what you're saying is, "Well, it's OMB's fault because there was a freeze last summer." Well, the freeze is over and we're still talking about getting a plan.

When will you have all the necessary forms? You're saying now it has just been submitted to OMB. Given OMB's incredible intransigence on this whole thing, it could be next January or next July by the time we get something. What assurance can you give the committee that we are going to have some forms in the field, in use, at the very earliest possible date? Do you have any assurance to that effect?

Mr. **Dollarhide**. We will have the one form. The other forms are already out there, Mr. Chairman.

Mr. **Daschle**. What is the one form you're talking about?

Mr. **Dollarhide**. The combined application form which will cover five programs. I think it will be available within 30 days, and I'll make every effort to get it there.

But I want to emphasize that it has not impacted VA's ability to implement this program, except for the one form, because we had a system that was up and it's working.

Mr. **Daschle**. There are many people who wouldn't agree with you. I wish I could bring back those witnesses. Usually at the end of a hearing, I like to bring together all the witnesses so they can have a good opportunity to discuss these things.

I guarantee you, if I would have had that last panel of witnesses here today, they would dispute your statement that it hasn't impacted. The fact is it has impacted. I think that is our concern.

Mr. **Dollarhide**. Mr. Chairman, I don't want to argue with you at all. I was here for the hearing and I did hear it. As a matter of fact, yesterday I had lunch with Dr. Ed Keiser and Bertie Rowland of California, two of those panelists, with whom I have a very good working relationship. I did listen to them and I am aware of their concerns.

If you want to use me as a whipping boy on this, fine. It is my responsibility, so just have at it.

Mr. Daschle. I'm not using you as a whipping boy. I would be happy to yield to Mr. McEwen.

Mr. McEwen. If it's not the VA's responsibility, whose responsibility is it? You could help us a great deal.

Mr. Dollarhide. I think the forms basically fall down right on my little shoulders. I think I'm responsible. But there are restrictions that are imposed on all of us in Government, and the restriction didn't come from OMB. It came from a deficit—the restriction on printing came out of the Budget Reconciliation Act for fiscal year 1985.

Mr. McEwen. But these hearings were scheduled the first part of this month. If that hadn't have been done—this is conjecture on our part—would that have gone over to OMB in the last 2 weeks or not?

Mr. Dollarhide. I don't think the fact that a hearing was scheduled affected it one way or the other.

Mr. McEwen. Six months late is an appropriate time to get started on this?

Mr. Dollarhide. If that's what I'm charged with, I'll have to plead guilty.

Mr. McEwen. So now you think OMB is going to get it back to you and you're going to get them printed and out in 30 days?

Mr. Dollarhide. Well, I'm going to call them as soon as I leave here, Mr. McEwen.

Mr. McEwen. Thank you.

Thank you, Mr. Chairman.

Mr. Daschle. Well, it's not my intent to argue with you or anybody else. I have to tell you, though, this supports those who say, "Well, it's the bureaucracy and the Government can't do anything responsively; they just drag their heels and they're lethargic." This just plays into their hands, and when I see evidence of it, it's frustrating.

I don't know why these forms were not submitted last May or last June in anticipation of the fact that the program was going to be available beginning July 1. I don't know why there's a delay now since the freeze ended in August. I don't know why it has just been submitted in November, and I guess I'll never be satisfied.

The bottom line is we have got to have these things out in the field. I think the foot-dragging on this thing has been unacceptable and very frustrating. I would hope that by the end of the year your office can give this committee a formal report as to what progress has been made and the details of the availability of those forms in the field. Can you provide that?

Mr. Dollarhide. I sure will. I would be happy to.

Mr. Daschle. Thank you.

Mr. Montgomery. Would the chairman yield?

Mr. Daschle. Yes.

Mr. Montgomery. I want to get a point across here, Mr. Dollarhide, that certainly the committee is not trying to make a whipping boy out of anybody in the Veterans' Administration. Quite frankly, the Veterans' Administration employees don't have a better friend on the Hill than this committee and this subcommittee. But we do feel that you have got to do everything possible to make this new GI Bill work. If you've got to print them on a manual machine or simplify the forms, you ought to do it, Mr. Vogel. It's your responsibility. That's what we want.

These are your best friends talking to you, and I would get out there and get it done.

Mr. **Vogel**. Yes, sir.

Mr. **Daschle**. It has been suggested to me by Mr. McEwen—and I think it's an excellent suggestion—that the moment those forms are in the field, you notify this committee and send us a facsimile.

Mr. **Dollarhide**. We would be happy to.

Mr. **Daschle**. Mr. Gray.

Mr. **Gray**. Thank you, Mr. Chairman. I apologize if I'm being duplicative because I was late. We had a roll call on the floor, and then I got stopped.

I would like to address this to Mr. Vogel. On page 4 of your testimony you said, "With regard to our publications for the New GI Bill, by March 1, 1985, we had a completed draft of the basic instructions written. This draft was then circulated for comments and concurrences. The final copy of the basic circular was printed on July 16, 1985. In addition, we are in the final stages of drafting the proposed chapter 30 regulations."

My question is, on your "comments and concurrences" from the field, how many divergent views could you give us? Could you give us just a little overview of how many divergent views came in? Were they all pretty much in agreement in what ought to go in this circular? What do you mean by "comments and concurrences"? You're not in the final copy of the basic circular.

Mr. **Vogel**. Mr. Gray, I would ask Mr. Dollarhide to respond to that.

Mr. **Gray**. Anyone on the panel can answer.

Mr. **Dollarhide**. The basic circular is our basic information about the program. I don't think the statement says concurrences from the field.

Mr. **Gray**. You said you circulated it, and I assume that you circulated it to all your regional offices.

Mr. **Dollarhide**. Some selected regional offices. We also circulate to the educational community, not all of the schools in the country, but through the associations that represent them over at 1 Dupont Circle.

Mr. **Gray**. I was wondering what kind of feedback you got from the responses. You refer here to the hot line and the various regional offices. I was wondering what kind of comments you got.

Mr. **Dollarhide**. Very constructive comments. We solicit those for a reason, to get everybody's viewpoint as best we can in a quick way.

Mr. **Gray**. You're not prepared to tell us whether there was any objections to certain parts, or whether everybody is marching to the same step?

Mr. **Dollarhide**. What is shipped out to them for concurrence is the draft version of the circular. Following the comments we do get, we redraft to accommodate the concurrences where we can do it.

Mr. **Gray**. But you don't see that as any part of the delay?

Mr. **Dollarhide**. No, sir.

Mr. **Vogel**. Mr. Gray, there is a delay built into that. There could be some delay. We find that being able to send operating instructions to the field, where the "rubber hits the road" if you will, in administering the programs, and getting their commentary, is helpful to us from the national level. It does make sense from a consumer point of view and from an administrative point of view. We did make some changes to it and it may have impeded slightly the date of publication, but I still think it was a valuable exercise to go through, to let the field stations and educational institutions have a run at those forms before we print them in a final version.

Mr. **Gray**. The reason I asked that question, whether or not you feel everybody is marching to the same tune, is because we had hearings here, for example, on your Canteen Service, and I received about a dozen calls from people working for the Veterans' Administration who wanted to remain anonymous who had a different input completely than the testimony given by the officials of the Veterans' Administration.

I was wondering, when you say you had comments and concurrences, whether or not those were in agreement with the home office.

Mr. **Vogel**. I think it is safe to say that there was a general agreement. Most of the suggestions that they made were semantical in nature and made the instructions clearer from the point of view of our regional office personnel and the educational institutions who have to deal with those instructions and forms.

Mr. **Gray**. So the hold up is not the result of someone out in the field taking exception to certain parts of the regulations?

Mr. **Vogel**. I don't think so, sir. I think there was some institutional lethargy and I think that point has been driven home very firmly to me by, Mr. Daschle. It is unacceptable.

Mr. **Gray**. Thank you, Mr. Chairman.

Mr. **Daschle**. Thank you, Mr. Gray.

Mr. Vogel, let me ask you one other question. There seems to be some information that has led this subcommittee to believe that the regional offices are not uniform in the dissemination of information, that some are doing much better than others in getting that information out.

What assurance can you give the subcommittee that the dissemination and distribution of this information, that the kind of enthusiasm that this implementation is underway, is uniform throughout the VA?

Mr. **Vogel**. Mr. Chairman, your point is well taken. The recognition on our part that the vigor with which we're getting the word out and the clarity has left a little bit to be desired. That's one of the reasons it was discussed at some length 3 weeks ago at the Department of Veterans Benefits Director's Conference, at which all 58 of our regional office directors were present. I think if anybody had the notion this wasn't important, critically important, I don't think they are burdened with that false belief any longer.

I think we will, in fact, get the word out, and we are getting the word out. I think our directors are committed.

Mr. **Daschle**. Please provide, on a periodic basis—let's say on a quarterly basis the following information: First, the assurance you have just given us would be far more significant as an assurance if it could be statistically shown—I would like that on a regional level. And then, to whatever extent you can, provide a State-by-State analysis. That, too, would be very helpful. Having that kind of evaluative capability for the subcommittee is extremely important.

I would like to ask at this point if you could provide that to us.

Mr. VOGEL. Yes, sir. I can. We would gather that information internally and we shall share it with you, sir.

Mr. DASCHLE. Very good.

If there are no other questions, we want to thank this panel.

Mr. VOGEL. Thank you, sir.

[The information requested appears on p. 279.]

Mr. DASCHLE. The second witness is Maj. Gen. Stuart Sherman, the Deputy Assistant Secretary of Defense for the National Guard, Reserve Manpower, and Personnel.

General Sherman, we are pleased that you could be with us this morning. Thank you for taking the time. We invite you to proceed as you see fit, keeping in mind the 5-minute rule and our intentions to ask questions following. Please proceed.

STATEMENT OF MAJ. GEN. STUART H. SHERMAN, JR., U.S. AIR FORCE, DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR RESERVE AFFAIRS (GUARD/RESERVE MANPOWER AND PERSONNEL)

General SHERMAN. Thank you, Mr. Chairman, Mr. Montgomery, and members of the committee. It is a pleasure to appear before this subcommittee concerning the Selected Reserve and the experience to date with the New GI Bill.

It is also a privilege for me to testify during this oversight hearing with the leaders of our National Guard and Reserves, who are, in fact, directly responsible for the implementation of this new educational assistance program. It is under their leadership, along with the help of this committee and other congressional committees, that we continue to see Selected Reserve readiness increase.

Getting the right number and quality of guardsmen and reservists is by far one of the most critical factors to achieve the necessary level of Reserve force readiness. The continued increases projected during this next decade in our Selected Reserve endstrength, together with a healthier national economy, makes this a challenging task for all of us.

I am personally optimistic about the Selected Reserve use of the New GI Bill and its potential impact. As you know, this is a different program than for the active forces. It is a straight entitlement program for those Reserve component members who meet the qualifications and agree to serve a minimum of 6 years. I am confident that it's going to attract and retain high-quality guardsmen and reservists. I am sure it already has in these 4 months since the first of July.

However, since the Reserve forces members now using the program were members prior to this past July, it is still much too early to judge what the potential impact will be upon the Selected Reserve. To date, some 7,500 have applied for this educational benefit with the VA. The largest users to date have been members of the National Guard and, in particular, within the Army. But I would caution that it is still way too early to make comparisons of the degree of participation among the Selected Reserve components.

Furthermore, any statistical data on the actual use of the New GI Bill by members entering the Selected Reserve components after July 1, will not be known until the 180-day point, or January of this coming year at the earliest, and then it will take several months, we believe, to establish good trend data as to the degree of eligibility and the degree of participation.

It does appear there's been a substantial positive reaction to the bill. We have taken the actions necessary to monitor that progress so that we will be able to assess the statistics and its impact. Our early analysis does show that the majority of the members are applying for full-time benefits, which is the opposite from that which we had expected.

You might also like to know that only 4 percent of the records from the VA show that the individual applying has less than the 36 months of entitlement. This means that most will be using veterans educational benefits for the first time under this benefit.

The cooperation between the DOD and the Veterans' Administration I think has been excellent and has begun to build this important database necessary to assess the impact.

The next logical question is what you might think our experience will be in 1986. We have estimated that the Selected Reserve GI Bill will cost approximately $135 million in benefit payments, which is roughly equivalent to the new and anniversary payments associated with other elements of the targeted incentive programs. We project about 69,000 selected reservists will take advantage of the GI Bill during 1986, compared to about 97,000 in the remaining targeted incentive programs. At this point our projection of costs for participants for the Selected Reserve GI Bill remain only estimates, on our best judgment.

In Secretary Webb's testimony earlier this year, he stated that we did not as yet have a firm basis on which to project the use. We are still unclear as to how many personnel will avail themselves of this educational benefit and will also enlist in the critical skills and in the priority units where our manning problems exist. With this in mind, it is important to again emphasize that, despite our optimistic outlook on the educational benefit, no single incentive program can meet all of the requirements and varied needs of each Selected Reserve component in meeting their end-strength. The use of educational benefits such as the New GI Bill are, therefore, viewed as an enlistment benefit, which are an important part of a broad recruiting and retention program applied across the Selected Reserves.

I might mention that a report will be coming over in a couple of weeks, as directed by the House Armed Services Committee, on that entire program. That is the first document of that complete type to date.

This concludes my oral statement. I will be happy to answer any questions, Mr. Chairman.

[The prepared statement of General Sherman appears at p. 288.]

Mr. DASCHLE. You have excellent timing, General Sherman. Thank you for a good statement.

Mr. Chairman, do you have some questions?

Mr. MONTGOMERY. I would just like to ask General Sherman, from the office of Secretary Webb, his personal opinion on how he thinks the GI Bill is working.

General SHERMAN. I think we are very pleased with what we see initially, although there is very limited information upon which to draw that judgment, Mr. Montgomery. The reaction has been very positive. I think for the Selected Reserves it is probably an even better benefit than for the active forces. Why? Because these men and women have the opportunity to take advantage simultaneously of this benefit.

Only about 6 percent of our total enlisted force have college degrees within the Selected Reserve. This certainly gives them the opportunity to pursue that human capital investment that is so important to success.

Mr. MONTGOMERY. Would you repeat that again? Only 6 percent—

General SHERMAN [continuing]. Of our enlisted members of the Selected Reserve have college degrees, so that leaves the other 94 percent that can avail themselves of this benefit.

Mr. MONTGOMERY. What are those numbers numerically counting the Selected Reserve? I know there are a million in the Reserve, but how many—

General SHERMAN. About 80 percent have high school diplomas, so that is 800,000 of a million.

Mr. MONTGOMERY. 800,000 have high school diplomas, but 780,000 don't have a college education?

General SHERMAN. Those numbers are a little high because I didn't exclude the 150,000 officers. I can provide those for the record, Mr. Montgomery.

Mr. MONTGOMERY. Okay.

Thank you, Mr. Chairman.

[Subsequently, the Department of the Army submitted the following information:]

As of September 30, 1985, approximately 71 percent of the 1,088,000 members of the Selected Reserve are academically eligible for the New GI Bill. This breaks down into approximately 47,000 of 151,000 officers, and 730,000 of 937,000 enlisted members. Among those not academically eligible, the reason for the officers is the completion of at least a baccalaureate degree (69 percent). Among the enlisted members, 57,000 (6 percent) have a four year college degree and 149,000 (16 percent) do not have a high school education. Within the active component enlisted force approximately 2 percent have a four year college degree and about 6 percent have not completed high school.

Mr. DASCHLE. Mr. McEwen.

Mr. MCEWEN. Thank you, Mr. Chairman.

You mentioned the 69,000 that participate out of 800,000—is that it?

General SHERMAN. Well, 69,000 is our estimate of the approximately 231,000 who will be eligible, so that's about 30 percent.

Mr. MCEWEN. Is transferability a question that arises?

General **Sherman**. Not really, with respect to the Reserves.

Mr. **McEwen**. And how are you publicizing the new bill? How do you inform reservists about it?

General **Sherman**. I would really defer that to each of the Reserve component leaders in terms of how they have gone about the individual implementation of that. We have had extensive meetings on that in terms of the overall message to be passed out and how that would be done, but I will defer that, if that's all right with you, Mr. McEwen.

Mr. **McEwen**. Sure. Thank you.

Mr. **Daschle**. Mr. Gray.

Mr. **Gray**. Thank you, Mr. Chairman.

General, I would like to commend you on the outstanding job you're doing. I might say that you build a good tank.

General **Sherman**. I was raised in Georgia.

(Laughter.)

Mr. **Gray**. You don't have your pages numbered, but on the third page of your testimony I was intrigued with this language: "Between 1982 and 1985, there was a 42 percent increase in the number of Reserve recruiters", but you don't equate that with increased reservists. I am wondering if you could—you had a 42 percent increase in the number of people out soliciting reservists, but you don't say the percentage of reservists you recruited for that increased number. What I'm trying to do is find out how you equate the GI Bill with that.

In other words, can you keep your momentum going and do you feel this will be an integral part of your recruiting service since you have a 42 percent increase in the number of recruiters.

General **Sherman**. Clearly, this is part of that momentum and will continue to be so.

I might point out that during the period 1982 to 1985 that the state of the economy improved and youth unemployment went down such that we would have expected about a 27 percent decrease in our ability to recruit. We attribute the fact that had added those additional resources, together with the many incentive programs that this committee and Congress as a whole has helped us gain with being able to maintain our momentum and, in fact, realize an overall 19 percent increase in the accessions.

Mr. **Gray**. So you actually had a 19 percent increase in recruits?

General **Sherman**. Yes.

Mr. **Gray**. You feel if you had not had received this increase in recruiters you would have had a net loss?

General **Sherman**. Very definitely. That's about 64 percent of out total——

Mr. **Gray**. So what you're testifying is this committee has provided you with additional tools, as you say, to keep that momentum going?

General **Sherman**. That's my personal belief, yes, sir.

Mr. **Gray**. Thank you, Mr. Chairman.

Mr. **Daschle**. Thank you, Mr. Gray.

General Sherman, the 30 percent figure I know is kind of a soft figure, that we will probably get more information from the services. But the participation levels yesterday ranged from 28 percent, 28 to 35 percent in the Navy, up to 68 percent in the Army. Understandably, there was some difference. The Army certainly has an advantage.

After the full force of the program, after all the bugs are worked out, after everyone becomes more acquainted with it, what would be your expectation, let's say, in 2 or 3 years? I'm not going to hold you to this. What is your guestimate, having seen what little you've seen right now?

General **Sherman**. The 30 percent figure was developed at the time we were putting the '86 budget together. We really did not have as good an appreciation then as we do today, even with the limited amount of information. It certainly has the potential to be higher. I would hestitate to put an actual percentage on it, Mr. Chairman, at this point.

We can go back in history and find the degree to which people availed themselves of the previous GI bill, and that has varied considerably.

Mr. **Daschle**. That was going to be my next question. Maybe you could fold it in right now.

Do you have the information available to you at hand what the participation in VEAP was, or the old GI Bill?

General **Sherman**. Not at my fingertips. I will provide that.

Mr. **Daschle**. Do you recall vaguely what it might have been?

General **Sherman**. I think it was in that ballpark, or at a lesser rate, depending upon——

Mr. **Daschle**. What about 30 years ago, when we really had a GI Bill that was——

General **Sherman**. Mine would be a wild guess on that.

Mr. **Daschle**. Could you provide that for the record?

General **Sherman**. Yes, sir.

New GI Bill for the Selected Reserve

There have been several GI BIll programs over the years: The World War II program (for service between September 16, 1940 and July 25, 1947); the Korean Conflict program (for service between June 27, 1950 and January 31, 1955 and December 31, 1976). The Post-Korean Conflict program included peacetime Post-Korean (June 1966 to end of program), the Vietnam era program (June 1966 to September 1985) and the Vietnam era program for veterans only (June 1966 to September 1985). The chart comparing participation rates among all GI Bill programs since 1944 has been prepared by the Veterans' Administration in response to the above question, and appears on p. 295.

Mr. **Daschle**. I think we need the evaluative information. If you will do it off the top of your head or whether you can provide it in a substantive form to the subcommittee, it will be most helpful to us. Let me ask you this. Having you first is an advantage in one sense, and I'm going to be asking each of the services what their participation is.

Have you detected significant differences in the services at this point?

General **Sherman**. Again, I think that's too early to tell on the Selected Reserve, because the members who have come in subsequent to July 1, have not yet attained eligibility and gotten their notice of benefit eligibility. Therefore, we cannot measure the number who will actually use that in applying for benefits with the VA.

The only information we do have are on those members who were present prior to the first of July. That rate among the services I think is probably not a useful comparison at this point in time, Mr. Chairman.

Mr. DASCHLE. What kind of advertising are you doing? Somebody alluded to it and I would like to have you elaborate a little more. How are you getting the word out?

General SHERMAN. That word is gotten out through the recruiting resources, much the same way as with the active forces, plus any additional efforts that have been made by the Reserve components themselves through other than the recruiting structure. It's primarily through the recruiting resources.

Mr. DASCHLE. Is there a definitive budget for advertising in the recruiting budget for this program?

General SHERMAN. Not specifically for this, to my knowledge, no.

Mr. DASCHLE. Can you retrospectively, in an answer to the committee, provide us with the amount of funding that has been allocated for advertising for this program?

General SHERMAN. I'm not sure that's available. I will certainly make an attempt to do that in terms of costing out the money that has been expended thus far.

[The following material was subsequently submitted for the record.]

NEW GI BILL FOR THE SELECTED RESERVE

As of December 1985, the Department of Defense has expended approximately $3 million under the Joint Recruiting and Advertising Program (JRAP) to promote the New GI Bill for both the active and reserve components. Of the $3 million expended, approximately $2.9 million was spent in support of television, radio and print advertising with the remainder spent on posters and direct mail campaigns.

Mr. DASCHLE. It seems to me, if I were you, or if I were Secretary Webb—and you certainly have a much better handle on your job than I would ever hope to have—but if I wanted to know whether we were getting the word out, I would use several criteria. One criterion would be how well advertised is it and what substantive analysis do we have with regard to advertising that would give us some idea of whether the program is becoming better known and whether people have the information.

What evaluative judgments do you have with regard to whether that word is getting out, to give you confidence that it is being advertised and that people feel there is a program out there that might be utilized?

General SHERMAN. Clearly the kind of comment earlier from one of your members, that a band member came up and thanked them for this, is one type of feedback, and a good one, but not necessarily the best indicator as to the scope.

We will be doing a DOD-wide survey of the Reserve components early next year, at which this and many of the other benefits are talked about and opinions solicited. I think the feedback from that will be most helpful to us in getting a good appreciation. That's a large survey, well over 100,000 of the total Selected Reserve members, as well as their spouses. That will give us a good indication of whether the word is getting out on this and many other programs.

Mr. DASCHLE. When will that be made available?

General SHERMAN. The surveys will go out early in calendar year 1986. It takes a period of time for them to flow back. Probably in the second quarter the basic information will be catalogued where it can be usefully interpreted. So it would be in the April-June timeframe.

Mr. DASCHLE. Would you make a copy of that available to us?

General SHERMAN. Certainly.

Mr. DASCHLE. Let me ask you a final question that relates a little to the past panel of witnesses. With regard to the forms themselves, has the lack of forms provided an obstacle in terms of utilization of the program?

General SHERMAN. To my knowledge, no. As a matter of fact, we have been cooperating with the VA, and where we have copies of the forms, which are short in the regional offices, I think we have been making them available to them for their use. But to my knowledge—and again, I think each of the individual Reserve component leaders needs to give you their experience—it has not been an impediment to our implementation of the program at this time.

Mr. DASCHLE. I'm not sure I understand. If you were going to enlist someone in the chapter 106 program and you had no forms, what would you do?

General SHERMAN. Our problem is getting a determination of the individual's eligibility for benefits and so notifying him, at which time they then go to the VA office, regional or otherwise, and gain the application with which they can then request payment for availing themselves of that benefit, taking advantage of it.

Mr. DASCHLE. But if the application doesn't exist, what do you do?

General SHERMAN. Personally, I would try to find a copy and Xerox it for them so they could go ahead and do it, in order to facilitate the process. I would then go to VA and ask them what the problem was. That's the reason I say, to date, I don't think it has been a problem for the Selected Reserves, for those people who have taken advantage of the benefit and getting that benefit.

Mr. DASCHLE. It seems to me if the forms aren't available—and you say you would walk down and Xerox a copy—you're very industrious. But if we're talking about 67,000 participants so far, that's a lot of Xeroxing.

General SHERMAN. About 7,500 have applied thus far out of the Selected Reserves. The 79,000 will be eligible and we think will participate next year.

Mr. DASCHLE. But you think the 7,500 people who do not have the forms can Xerox their application, then?

General SHERMAN. No, sir. Those people have applied so they got the forms.

Mr. DASCHLE. They did get the forms?

General SHERMAN. Yes, sir. That's based upon the——

Mr. DASCHLE. Where do you think they acquired the forms?

General SHERMAN. It would be a guess on my part. Presumably from the VA offices. If, in fact, they were available elsewhere in the system, they may have gotten them there.

Mr. DASCHLE. I'm sure puzzled. As I understand it, the form that will be used is now just before OMB. They're using a makeshift form, is that it?

General SHERMAN. That's correct.

Mr. DASCHLE. An old form?

General SHERMAN. Yes, sir.

Mr. DASCHLE. So we've got 7,500 old forms out there that appear to be working.

General SHERMAN. At least. That's just on the Selected Reserve side. I don't know the figures on the active side.

Mr. DASCHLE. Okay. General Sherman, we appreciate the insight you have given us today. *If you could provide the subcommittee* with that information, we would be happy to have it.

Mr. Chairman, do you have another question?

Mr. MONTGOMERY. Mr. Chairman, it would be helpful if General Sherman could get this information to us as quickly as possible, plus I think it would be helpful if we could get the percentage of enlisted personnel in the active forces who do have college degrees, to compare it with the 6 percent of the reservists.

Mr. DASCHLE. Can you get that for us?

General SHERMAN. I believe so, yes, sir.

[The information appears at p. 393.]

Mr. DASCHLE. Thank you again.

General SHERMAN. Thank you, Mr. Chairman.

Mr. DASCHLE. The next panel of witnesses will be the services themselves: Maj. Gen. William Berkman, Chief of the Army Reserve; Adm. Cecil Kempf, Director of the Naval Reserve; Maj. Gen. Sloan Gill, the Chief of the Air Force Reserve; Maj. Gen. Louis Buehl, Deputy Chief of Staff of Reserve Affairs, U.S. Marine Corps; Rear Adm. Alan Breed, Chief of the Office of Readiness and Reserve, U.S. Coast Guard; and Lt. Gen. Emmett Walker, the Chief of the National Guard Bureau. It is an illustrious panel and we are pleased that you could all join us this morning.

I want to wish each of the panel members a good morning. We are very pleased that you could take time out of your busy schedules to share your valuable insight with us. I would invite each of you to present your testimony in any way you see fit, reminding you that we will try to operate as much as we can under the 5-minute rule.

I think, given the fact that General Walker is the most senior of our panel members, that we will begin with him, and then proceed from left to right following that. So, General Walker, good morning. Please proceed.

STATEMENTS OF LT. GEN. EMMETT H. WALKER, JR., CHIEF, NATIONAL GUARD BUREAU; REAR ADM. ALAN D. BREED, CHIEF, OFFICE OF READINESS AND RESERVE, U.S. COAST GUARD; REAR ADM. CECIL J. KEMPF, DIRECTOR OF THE NAVAL RESERVE; MAJ. GEN. SLOAN R. GILL, CHIEF OF THE AIR FORCE RESERVE; MAJ. GEN. LOUIS H. BUEHL, DEPUTY CHIEF OF STAFF FOR RESERVE AFFAIRS, U.S. MARINE CORPS; AND MAJ. GEN. WILLIAM R. BERKMAN, CHIEF, ARMY RESERVE

STATEMENT OF GEN. EMMETT H. WALKER

General WALKER. Thank you, Mr. Chairman.

Mr. Chairman, Mr. Montgomery, members of the committee, I appreciate very much the opportunity to testify on this very important piece of legislation to the National Guard and, I think, to all Reserve components.

I am sure you realize that long ago we made the decision in this country that we could not or would not afford large standing forces. Consequently, we chose to put more emphasis on the role of the Reserve components, and that's what we have done. Today the active forces can't defend this country without our Reserve components.

Just as an example, Mr. Chairman, the Army National Guard today represents 46 percent of the combat power of the Army, 38 percent of its support units. The Air National Guard today represents 66 percent of the air defense forces of the Air Force, 54 percent of the tactical reconnaissance forces of the Air Force, 70 percent of the combat communications of the Air Force—on and on. If you then consider the other Reserve components and what they mean to their active forces, the picture becomes clear to you, I'm sure, that the active components must really have ready Reserve components if they are to perform their mission.

Mr. Chairman, our mission is increasing every year. We are recruiting in an environment that this year has 1 million less military-age individuals than it did 5 years ago. Hopefully, the economy will continue to rise, but when we have a good economy, recruiting falls off—that's based on history. We have now, in my opinion, just opened the doors to high technology. The Army National Guard is programmed to increase from over 438,000 end strength at the end of 1985 to over 490,000 in 1991. The Air Guard is programmed to go from 109,000 to 121,000 in 1991. In my opinion, we have to have an incentive such as you have given us in the New GI Bill if we are to achieve those strengths. If we continue to get the results, we think we will be the force that you, this committee, and certainly this Nation deserves.

Sir, I have put before the members a packet to illustrate to you what we have done in advertising the GI Bill. Also, I have advertisement on video tape to show you what we have done in the television field. You must realize now that, for the National Guard, all the advertising is public service advertising. That means simply it is free advertising and we're at the mercy of the stations to show it. But we think we have done well with it and I would be happy to show you that, sir, if we have the time.

Mr. DASCHLE. We will make time and do it right now.

General WALKER. All right, sir. The first one shown will be the Air Guard advertisement sir.

[Video presentation.]

General WALKER. Those both were 30-second advertisements, Mr. Chairman, and there are 10, 20, and 60 second variations of those.

Thank you very much, Mr. Chairman.

Mr. DASCHLE. General Walker, thank you. I think those are excellent. We're in an age of promotion and certainly in promotion there is no more effective medium than electronics, visual electronics in particular. Both of your commercials certainly demonstrate that again.

Did you have any additional comments?

General WALKER. Sir, I don't want to take away from the other gentlemen's time. But we have tried in our public service advertising, and that which you have in the folder to try to get the attention of the parents. I have sent my children through college and I think that the parents are the audience to which we want to appeal and get them to know what this bill does for them. The parents are the ones who are going to sell this program for us.

Thank you, sir.

[The prepared statement of General Walker appears at p. 300.]

Mr. Daschle. I think you're absolutely right. I hope the parents get a chance to see a lot of this.

Admiral Breed.

STATEMENT OF ADM. ALAN D. BREED

Admiral Breed. Thank you, Mr. Chairman. It is a pleasure to appear before the subcommittee to offer testimony on the effects of the New GI Bill on the Coast Guard Reserve.

As one of the five armed services with an integral role in our national defense, the Coast Guard stresses the "total force" concept—the integration of regular and reserve members into the mainstream of both peacetime missions and mobilization scenarios.

Our goal is to recruit high-caliber persons of strong character for service in the Coast Guard Reserve. Accordingly, the Coast Guard strongly endorses the use of appropriate incentives to attract qualified personnel into the Coast Guard. In years past, the Coast Guard Reserve did not experience recruiting shortages as did the other Reserve components, and as a result, our use of discretionary incentives and bonuses was appropriately constrained. We are now facing increasing competition, however, for a decreasing recruit population and must avail ourselves of every recruiting tool. The GI Bill, while not discretionary, is just such a tool. Implementation of the program, however, has not been without its management challenges.

We estimate that over the 3-year period over 6,000 Coast Guard reservists will be eligible to take advantage of the GI Bill benefits.

In projecting the cost of the program, two methods were used. If payments were to be made over the full 10-year eligibility period, the total cost is estimated to be $7.8 million for the Coast Guard. Using the present value method which would be available by participation in the Department of Defense education benefits fund, or establishing a similar trust fund for the Coast Guard, the total cost is estimated to be $5.3 million, obviously a substantial savings to the Coast Guard. Since the GI Bill did not make provisions for the Coast Guard to participate in the DOD fund, we are currently discussing with DOD the advantages and disadvantages of inclusion in their fund. In either case, legislative authority will be necessary.

We believe the availability of the New GI Bill will help us meet our overall Reserve accession goals. In particular, we believe that the new educational assistance program is especially attractive to those we seek as applicants for our principal non-prior service recruiting program. This is a program where we have seen a declining result in the past few years and we're hopeful this will add to the incentives for bringing non-prior service people in.

This two-phase training progrm is targeted towards high school students and divides the initial active duty for training between two consecutive summers. As students, these recruits will be interested in and benefit from this important financial entitlement. Also promising is the interest noted among active force Coast guard persons soon to be released from active duty. Many have indicated an intent to participate in the Selected Reserve because of this GI Bill program. These seasoned and skilled personnel will be welcomed and valued additions to our Reserve force.

With regard to a provision for transferability, it is not directly applicable to the Reserve program, or not as applicable as for the regulars. However, we do concur with DOD that, based on information currently available, transferability not be enacted by Congress. Our most needed recruit population is at high school and college age. We feel they will more likely pursue new benefits for themselves rather than their dependents.

We also concur with the Department of Defense that targeted incentives such as enlistment and re-enlistment bonuses are the most cost-effective method for meeting specific accession needs. In the recent past, the Coast Guard Reserve has not needed to use such incentives to reach our recruiting goals. However, the Coast Guard Reserve may eventually find it, too, needs additional tools to maintain the highly qualified mobilization force required to meet specified contingency assignments. We feel this new GI Bill will indeed be one of those useful tools.

That concludes my prepared statement, Mr. Chairman. I will be glad to answer any questions.

[The prepared statement of Admiral Breed appears at p. 303.]

Mr. Daschle. Thank you very much, Admiral Breed. It was an excellent statement and we appreciate your factual account of the progress thus far.

Before I call on Admiral Kempf, I want to make a personal note of apology. I have a longstanding scheduling conflict that was unavoidable. I am going to have to excuse myself. In my absence, I am going to ask Congressman Evans to fill in as chairman. We will follow through with the testimony, the questions, and we will have some written questions that I prepared for each of the witnesses that I won't be able to address orally. I do express my deep appreciation to each of you for coming this morning and providing us with the information.

Admiral Kempf.

STATEMENT OF ADM. CECIL J. KEMPF

Admiral Kempf. Mr. Chairman, Mr. Montgomery, members of the committee, it is my pleasure to appear before you today to discuss the New GI Bill as it relates to the Navy's Selected Reserve.

the New GI Bill was put to use by recruiters in meeting their accession goals for the 3-month period of July through September of this year. Because it provides another effective tool for attacking the prior and non-prior service markets during a period of increased competition in a declining population, Naval Reserve recruiters have indicated enthusiastic support for the Selected Reserve entitlements under the New GI Bill.

Specifically, the Naval Reserve recruiting force has found that, first, the bill provides an excellent vehicle for penetrating the junior college market—a market previously unproductive for non-prior service accessions. This is particularly important given the improving economy which tends to lead these potential accessions to other forms of part-time employment.

Second, it is particularly attractive to upper mental group applicants who intend to continue their education, notwithstanding their voluntary decision to serve in the military. The extra drill time required to qualify for these benefits is perceived to be worth the extra monthly stipend and total potential benefits.

And lastly, it is financially attractive to Reserve applicants since it is not a contributory program.

The full and long-term impact of the New GI Bill on our recruiting effort is uncertain. While it is still too soon to quantify, I believe the impact for the Naval Reserve will be felt in enhanced retention rates. With the required growth of the Naval Reserve, particularly by people holding critical technical skills, retention of the existing trained Reserve force has become extremely important. In our estimate, the New GI Bill will help improve retention because to continue entitlement and receive monthly benefits, a drilling reservist must remain a satisfactory performer, attending 90 percent of regularly scheduled drills and annual active duty for training, and it directly and positively affects a veteran's decision to obligate for 6 years instead of the 3 year re-enlistments which were previously attractive.

The Navy believes that a basic educational assistance entitlement in return for honorable military service, either active or Reserve, makes good sense. the New GI Bill is just such a program. It should also make our recruiting and retention tasks easier and should improve the overall quality of our Selected Reserve. But the New GI Bill must not be viewed as a panacea for all our recruiting and retention problems. Our analyses have shown that enlistment and re-enlistment bonuses, focused on critical skills, are still necessary if we are to meet our personnel requirements. With your assistance, we can provide our young people with a more effective educational assistance program which will also better enable us to attain our end-strength and quality objectives.

I wish to thank you for this opportunity to express my views on these important issues. I am ready to answer any additional questions you may have.

[The prepared statement of Admiral Kempf appears at p. 308.]

Mr. EVANS (presiding). Thank you, Admiral.

At this time we will recognize General Gill.

STATEMENT OF GEN. SLOAN R. GILL

General GILL. Thank you, Mr. Chairman.

Mr. Chairman, Mr. Montgomery, members of the committee, I would like to thank you for the opportunity to appear before the committee to present information on the implementation, administration and structure of the New GI Bill as it pertains to the U.S. Air Force Reserve.

As you know, to encourage and sustain membership in the Air Force Reserve and other components, Congress authorized an educational assistance program for qualified reservists who have a 6-

year obligation in the Selected Reserve. This 6-year obligation may be incurred by enlisting, re-enlisting, or extending for the appropriate period.

There is an area of concern that we have in regard to the New GI Bill. In terms of recoupment we require an aggressive approach on recoupment actions. A reservist failing to satisfactorily participate in required training as a member of the Selected Reserve, during the term of enlistment that created the member's entitlement to educational assistance, may be required to refund to the United States Government all or part of the moneys received from the VA, plumet the service requirements.

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Additionally, I want to emphasize several points in regard to the implementation of the New GI Bill. First, the bill should have a very beneficial impact on the Selected Reserve, although it is too early to ascertain the ultimate impact of the New GI Bill as a retention incentive. Second, the GI Bill will not substitute for a viable bonus program. Although the Reserve GI Bill will serve as a market expander—that is, it should increase the number of candidates desiring entry into the Air Force Reserve—it clearly will not have a skill channeling effect. That is, it will not put people in desired shortage specialties as does the bonus.

Next, whether the GI Bill will have a strong retention effect remains to be seen and depends upon vigorous recoupment policies. Finally, the U.S. Air Force Reserve will still need to continue aggressive recruiting efforts to ensure that we meet our end-strength floor. The Air Force Reserve will continue to rely on a combination of vigorous recruiting and retention programs conducted at all command levels for meeting our manpower requirements.

This GI Bill follows in a long tradition of military education assistance programs which have enriched the fabric of this nation as exemplified by the post-World War II GI Bill. A much desired byproduct of the present GI Bill is the benefit accruing to the local communities, junior colleges and universities, as a result of active and Reserve members' participation.

In the recent past the GI Bill has opened doors for servicemen and women to vocational training, as well as baccalaureate, graduate and professional education, all of which have enriched our society. This GI Bill not only enhances baccalaureate education opportunities, at a time when many areas are experiencing decreasing enrollments, but it also encourages our citizen airmen to realize their potential to their fullest. Members of the Air Force community who avail themselves of such an opportunity as this one are more productive members of our organization and will add materially to our nation's technological productivity base.

I want to express my appreciation for the concern and interest shown by this committee in support of total force programs and for your specific assistance regarding the New GI Bill.

That concludes my statement, Mr. Chairman. I will respond to any questions you might have.

[The prepared statement of General Gill appears at p. 313.]

Mr. **Evans**. Thank you, General.

At this time we will recognize General Buehl.

STATEMENT OF GEN. LOUIS H. BUEHL

General **Buehl**. Thank you, Mr. Chairman. I appreciate the opportunity to appear before the committee and, with your permission, I would like to submit my formal statement for the record and just share with you a couple of my views and opinions concerning the New GI Bill.

Mr. **Evans**. That would be fine.

General **Buehl**. Sir, we are very optimistic about this important incentive tool. We are actively promoting the program through an extensive marketing approach, including directives to the field, recruiter training, personal contact with Marines leaving active duty, and a letter to every Marine reservist, whether he be in the IRR or the SMCR.

I believe our recruiting and retention data will reflect that the Marine reservists view the program as a strong incentive to join the Marine Corps Reserve. During this early stage of implementation, our recruiters tell us that the educational opportunities of the bill have been well received by potential Reserve recruits. They attribute a 25 percent increase in our delayed entry pool in large part to the availability of this new and innovative technique. We are constantly looking for a new and innovative technique to enhance our recruiting and retention effort to help us meet the needs of our total force readiness.

The efforts of this committee greatly enhance our ability to meet that goal and deserve all of our compliments and our gratitude.

I am prepared to answer any questions the committee might have, sir.

[The prepared statement of General Buehl appears at p. 325.]

Mr. **Evans**. Thank you, General.

General Berkman.

STATEMENT OF GEN. WILLIAM R. BERKMAN

General **Berkman**. Thank you, Mr. Chairman.

Members of the committee, Chairman Montgomery, I too have submitted a statement for the record and I would like to make a few comments in addition to that.

I welcome the opportunity to appear before this committee, that has been so instrumental in bringing about this GI Bill, to make a few comments. To put the Army Reserve in some perspective initially, I would like to point out that 40 percent of the tactical supporting increment units of the total Army are in the Army Reserve, 21 percent of the general support increment unit structure in the Army are in the Army Reserve, and 16 percent of the nondivisional combat units are in the Army Reserve. Consequently, readiness of those units is of vital importance to the total Army, and personnel is a critical element of that readiness equation in addition to equipment and training and the ability to mobilize.

The Selected Reserve incentive programs to date have been very beneficial in providing support to the Army Reserve in the voluntary environment that we find ourselves. The enlistment bonus, the re-enlistment bonus, for critical skills and high priority units have been of assistance.

Incidentally, the pay drill strength of the Army Reserve for fiscal year 1985 is approximately 270,000 men and women. We anticipate paid drill strength in 1986 going to 282,000, and in the program years to over 300,000 men and women. However, we realize the demographic realities, the pool of available men and women to serve in our Army is decreasing, and the challenges are increasing.

Therefore, the GI Bill for Reserve components is very, very significant. We feel it will result in substantially improved educational incentives available for all who qualify; it will expand the recruiting market for Army Reserve service to college-bound high school graduates; it will improve prospects for retention of current members; and it is likely to reduce attrition.

Incidentally, just yesterday I received a copy of the Rand Corporation report on attrition, of non-prior service reservists in the Army National Guard and the Army Reserve. The purpose of the study was to analyze attrition during the first 2 years of service using the 1980 non-prior service cohorts who were entering service in the Army Reserve. For the Army Reserve, the 2-year loss rate of that cohort was about 28 percent. The key conclusion that I would like to share with the committee from that report—and I quote—"The Reserve components could reduce attrition by recruiting a higher percentage of individuals with high school diplomas and/or from the upper mental categories."

Well, I think that's precisely what the Reserve component GI Bill will do. Hence, I think early indications are that this bill and this tool will, indeed, have a beneficial impact in all of the areas that I have mentioned.

In conclusion, I personally believe there are improvements that could be made to the bill, including coverage, expanded coverage for vocational training, technical training, and graduate study. It would make a good law better. Such expansion I think would benefit our Reserve soldiers, our Army, our national security, and our nation.

With respect to publicizing the bill, you have before you examples of the efforts made from the Office of Chief Army Reserve. The Army Reserve Magazine of the fall of 1985, which you have before you, goes to over half-a-million individuals. Every member of the Army Reserve receives a copy of that magazine in his home. Hence, that provides information to Reserve families and they then are more knowledgeable as they discuss it with their friends.

The Chief of Army Reserve (CAR) Notes is a publication that goes from our office to all of the leadership of the Army Reserve program units. In addition, the Army Recruiting Command, which has responsibility for recruiting, and its advertizing agency, have distributed fliers and mailers to the appropriate groups that would have an interest in the Reserve component GI Bill.

Thank you for the opportunity to be here, and I would welcome your questions.

[The prepared statement of General Berkman appears at p. 321.]

Mr. **Evans**. Thank you, General.

I appreciate the testimony of this very distinguished panel. I am particularly impressed, as a former Marine Corps corporal, to be here today with all these stars on the shoulders and appreciate your efforts in educating us here in Congress about the benefits of the New GI Bill.

At this time I would recognize the chairman of the full committee, Sonny Montogmery.

Mr. **Montgomery**. Thank you, Mr. Chairman. I also would like to welcome our panelists. I have had the privilege of working with these general officers and admirals on developing initiatives for the Reserve forces, so I feel very comfortable with the representation that we have here today.

I will probably run over my time, Mr. Chairman, so I will stop and let you ask the other members after 5 minutes, and then maybe you can come back to me. I would like to do it like that, if I can.

We had some problems at our last hearing, as you may know. Some of the testimony from the active forces pertaining to the New GI Bill had been monitored and, in effect, censored by the OMB. Did you have to submit your testimony and was it changed from what you had previously sent?

Admiral **Breed**. I submitted it and some very minor word-smithing was done. I do not consider the OMB changes to be at all significant as to what the impact of my statement was.

Mr. **Montgomery**. Thank you.

Admiral Kempf?

Admiral **Kempf**. There were some sections removed. There were no changes, except for the removal of some areas that——

Mr. **Montgomery**. Briefly, what areas were those?

Admiral **Kempf**. Areas that suggested possible changes or improvements to the bill.

Mr. **Montgomery**. Mr. Chairman, that's the point. The purpose of this hearing is to find out, is oversight. I talk to OMB and sometimes I wonder if we're all on the same side. That is the idea of having an oversight hearing, to find out what we need to do with this legislation and what changes are needed.

We are not recommending any legislation. I accept that the administration wants to have control. The Commander-in-Chief is the President and he should look at this legislation as submitted. But I also submit we are just asking how this is working and for ways to improve it. Then at a later time this subcommittee will have hearings on legislation.

General Walker.

General **Walker**. Yes, sir. I consider I had the "meat axe" treatment. They meat-axed mine for a whole page, for example, and then in other portions of other pages. So yes, sir, they took out all the suggested changes that we had——

Mr. **Montgomery** [continuing]. That you recommended?

General **Walker**. Yes, sir.

Mr. MONTGOMERY. Later, Mr. Chairman, the personal views, which OMB can't control, maybe we could briefly get that from each of our panelists. They can tell us what they had submitted.

As I understand it, on the active forces we did get their original statements and put that in the record; therefore, we could compare that with the statements they actually made at the hearing. But I don't believe we got the complete statements this time.

Well, I see we do have General Walker's initial statement. Without objection, I would like General Walker's first statement to be put in the record.

Mr. EVANS. Without objection, so ordered.

Mr. MONTGOMERY. And it would go right where his other statement would follow.

General Gill.

General GILL. Yes, sir, there were a few changes made in it. Some were some suggestions for improvement to the GI Bill, and one had to do with——

Mr. MONTGOMERY. Had to do with what?

General GILL. Suggestions for other things that could be added to the GI Bill. The other one had to do with recoupment proceedings. Nothing big in that area.

Mr. MONTGOMERY. General Buehl.

General BUEHL. No changes, sir.

Mr. MONTGOMERY. How long are you going to be around?

(Laughter.)

Mr. MONTGOMERY. General Berkman, I assume your statement wasn't looked at, either.

General BERKMAN. Yes, it was looked at and there were some deletions, Mr. Chairman. However, the subject of those deletions I addressed in my verbal statement as a matter of personal opinion.

Mr. MONTGOMERY. So that's why you recommended those changes, as a personal statement?

General BERKMAN. Yes, sir.

Mr. MONTGOMERY. I think I will rest on that and then come back and let the my other colleagues ask questions.

Mr. EVANS. Thank you, Mr. Chairman.

At this time I recognize the distinguished ranking member of the committee, the gentleman from Ohio, Bob McEwen.

Mr. MCEWEN. Thank you, Mr. Chairman.

I think we have covered our main concerns basically. But, Admiral Breed, you made reference to the fact that you didn't feel transferability was an issue. Could you elaborate on that just a bit?

Admiral BREED. We certainly feel that the benefits to the potential recruit is of greater importance and that individual has the benefit of the bill. I think transferability, at this point in time, we really don't know what kind of impact that would have.

Obviously, it has to be some type of plus. I'm not saying it's a negative, not at all. But it is not as large a plus as the benefits accruing to the individual.

Mr. MCEWEN. Many of us, as members of the committee, have been getting a sense that it could be advantageous. On Tuesday that suggestion was deleted by the Office of Management and Budget from all the testimony.

The statement that it isn't as significant for the Reserve as it is for the active forces, I would like to know whether or not it is something we should be concerned about and try to push, or if it's really just an idea that has more theoretical benefit than it does actually. I would ask all the members of the panel to address that.

Admiral **Kempf**. For the Naval Reserve, I'm not sure. We just haven't thought it through. We thought we would watch the active side and if they request transferability, we might like to do it, too. It has to have a positive effect for personnel on full time active duty. I'm just not sure whether there's a cost-effective return there for drilling Reservists.

General **Walker**. Sir, we in the National Guard at this time don't think we need transferability in the Reserve component package. Later on it might prove beneficial, but at this time we do not favor it for the National Guard.

General **Gill**. We certainly believe that the transferability we think in the future would be an advantage. I don't see how it could be anything less than an advantage. But as you say, we don't have enough information right now really to go on.

Admiral **Breed**. It has not been raised to be an issue because of two reasons, I think. One is that right now the reservist does not make a contribution, which is a net plus for the reservist. Consequently, the vesting isn't an issue in terms of the contribution.

The other aspect of it is its concurrent principle, that you are in the Reserves and getting your education at the same time. Consequently, those two things have not caused anybody to raise transferability to me as an example of a needed addition to the present bill.

General **Berkman**. Sir, I would think that the other recommendations on improvements as well as expanding the GI Bill to include vocational training, technical training, and perhaps graduate study, would have more of an impact on the Reserve components. That's my personal opinion on transferability.

General **Buehl**. I concur with that.

Mr. **McEwen**. That's very, very helpful. I thank you for it.

My only final observation would be it's been rumored for some time that the Chief of the National Guard Bureau must be a native of Mississippi; is that correct?

(Laughter.)

Thank you, Mr. Chairman.

General **Walker**. Sometimes it's hard to be humble, you know.

(Laughter.)

But it doesn't hurt.

Mr. **Montgomery**. Would the gentleman yield?

(Laughter.)

It's kind of a "Mafia" out there, that General Gill is also from Hattiesburg, MS.

Mr. **Evans**. At this time I would recognize the gentleman from Illinois, Mr. Gray.

Mr. **Gray**. Thank you, Mr. Chairman.

First I would like to compliment the distinguished panel for your great dedication to this country, and also your forthrightness and admitting that we do have problems downtown with the Office of Management and Budget.

Mr. Chairman, most of my speeches are extemporaneous—better known as scattered remarks—but if I ever write a prepared speech, I would like for General Berkman to go over it and help me a little bit with it. I think he has come up with a new title for the New GI Bill. He says, "To say that their intellectual and skill development redounded to the good of themselves, the services, and the country, is a truism." Boy, if that's not putting it right on the line—that's a positive statement and I commend you for it. You can write my speeches any time, General.

Were you gentlemen here when Mr. Vogel testified from the VA? He stated here on page 3 of his testimony, "I would like to review the progress of our implementation of the New GI Bill, chapter 30. As I indicated earlier, the chapter 30 program should not have a significant number of trainees until 1987. We have been meeting with program officials in the Department of Defense on how best to implement this new program."

What I wanted to ask—and any one of you can answer—how much input has your various branches had with the VA in promulgating these various regulations? He goes on to state that DOD's assistance and cooperation has been very good. Could any of you elaborate on that?

General Walker. Sir, I have a sergeant with me that can answer it better than I can. But the Veterans' Administration people have worked with the National Guard Bureau right down the line as far as I know.

This is Sergeant Graves from the National Guard Bureau.

Sergeant Graves. Mr. Gray, the benefit you are addressing is the chapter 30 New GI Bill. The chapter 30 program is the New GI Bill for the Active Forces. There will be no users of that program until 1987 because they are required to serve 2 years on active duty before using the benefit.

The chapter 106 program, the New GI Bill for the Selected Reserve, is being used today. Throughout the Selected Reserve, over 7,000 personnel are already receiving benefit checks from the Veterans' Administration and within the National Guard over 12,000 personnel are eligible to use the New GI Bill.

To answer your question concerning our input into the Veteran' Administration regulations, during the development of the chapter 106 regulation, the Veterans' Administration invited and received input from the Department of Defense and the components of the Selected Reserve. We feel the Veterans' Administration has coordinated implementation of the chapter 106 program very well.

Mr. Gray. I appreciate that. The reason I asked the question is that the VA left the impression with this committee that they have sent out for consultation and approval all the various regulations of the entire GI Bill. I was wondering if they spread it across your bureaus and your various agencies.

General Walker. Yes, sir.

Mr. Gray. You wouldn't be able to comment then as to why they do not expect any significant numbers until 1987, which really is 2 years after the activation of this bill?

General Walker. As Sergeant Graves explained, sir, the reference to 1987 applies to when active component members will be eligible to use the New Gi bill benefits. Selected Reserve members are receiving benefits now but only those who were members of the Selected Reserve when the New GI Bill became effective on July 1. None of the people who have come in since July 1, can become eligible until January 1, 1986, since it takes a minimum of 180 days service for a member of the Selected Reserve to become eligible. So it will be early 1986 until we begin to find out how many new recruits have joined the Selected Reserve as a result of the New GI Bill.

General Berkman. Sir, if I might just add to that.

Mr. Gray. Yes.

General Berkman. As I indicated, there are some indicators—we are getting just this kind of result. It was brought to my attention just before coming over here that in the 3 months of July, August and September, there has been a significant percentage improvement in the number of non-prior service enlistees who are going for the 6-year option. As you know, there are options of 3, 4, 5 and 6 years, but eligibility for the bill requires 6 years. So we think that is a significant indicator that the existence of the New GI Bill is improving the percentage of those opting for 6 years service.

Mr. Gray. The old saying goes that the chain is no stronger than its weakest link. We were just trying to seek out if you felt there were any weaknesses in the process of coming up with these regulations in all the chapters of the GI Bill.

General Gill. I would like to add to that, that actually we just received the figures as of, I guess, November 6, of this year. I have 6 percent of my airmen at this time eligible to receive payments.

Mr. Gray. That's pretty good.

Let me ask one other quick question, Mr. Chairman. Thirty years ago I taught flying under the GI Bill during World War II in Benton, IL. At that time we had a considerable amount of criticism that a lot of trainees were using it as an avocation instead of a vocation. Do you get any criticism from either the local press or the public, or are any of your recruiters coming in saying that our cirriculum has been set up here and we're getting a little criticism, that some of this may fringe on avocation. For example, flying, people like to go out on a Sunday and take a ride when it really is not going to help them in their vocation of training.

Do you get any of that at all, any one of you?

General Berkman. Sir, one of the constrains on the Reserve component GI Bill is that it is geared to a baccalaureate-producing program. Although there may be concerns about one of the recommendations that I had, that it be applied to a legitimate vocational program, a technical training program, in addition to the baccalaureate program, we haven't encountered that kind of criticism.

Mr. Gray. What about the Air Force?

General Gill. We have not had that kind of criticism, although I agree with General Berkman, that one of our recommendations that was cut out of ours was the fact that it be expanded into the vocational programs because we're trying to get specific skills. In many cases we think some of our people in the Air Force Reserve would go to that more readily than they would to something leading to a baccalaureate degree.

Mr. Gray. Thank you.

Thank you, Mr. Chairman.

General WALKER. Mr. Chairman, as we have talked about changes, may I talk about changes that we suggested?

Mr. EVANS. Yes, sir.

General WALKER. First of all, as General Berkman brought up, we certainly endorse the vocational training. We think that gives a lot of training where we need it, particularly as we're going to the high tech fields. We need that vocational training. That just appears to make good sense to us.

Secondly, the New GI Bill provides that we can pay a man for going to school full-time $140 a month, three-quarters time, $105 a month, half-time, $70 a month. Now, when you take a member of the Selected Reserve, who works at a job to put bread and butter on his table and then puts in his time at his unit, he's just about got a full-time job with those two items.

Then, when he wants to go to school, we restrict him. The VA has said that half-time means he must carry 6 hours of credit. So he can't take just one course and get paid for one course. We would like to see it changed to—I don't know whether you want to call it one-quarter time or whatever—allow the man to take one course credit. One course per school term will eventually get him his degree, particularly when he can get credit for a lot of other things like service in the military. This would help him tremendously to get that college education. We suggest that this be considered as a proper change to this bill.

Mr. EVANS. Mr. Chairman, did you have any follow-up questions on those points?

Mr. MONTGOMERY. Thank you, Mr. Chairman.

Following up on what General Walker said, we realize there could be some restrictions on how the Guard and Reserve can use this now to a certain degree, which as I understand it, under the Vietnam era bill, it is pretty loose. They can get vocational training, work on their master's degree and other areas of education.

I have introduced legislation that would change this. That's why we need this hearing, to find out what changes could be made. I would see no further cost to the taxpayers and you would be helping educate another individual.

The point I want to make here today to our panelists and the people in the audience is that we had a lot of things in this bill that we would prefer not to be in it. We had liberal benefits as far as getting an education, but it was changed in the Senate. So the problems are going to be in the Senate and probably at OMB and with the administration. Moving ahead with these changes is a need. It's a test program.

So what I'm saying, Mr. Chairman, is I hope our witnesses will, where they can, get to Senate Members, and Senate staff members, and to the administration, that if you feel that the program is working—and I feel you do—it should be given a good, fair test. Then I think we will have a chance. But as most in this room know, other than this committee and the Armed Services Committee and people in uniform, we really didn't have much support for this legislation. It was really kind of a miracle that we were able to get it through.

There were a number of civilians in this room today that worked very, very hard and followed up, that we finally did get something.

We were going to kill the whole military authorization bill for 1985. So it got down to that at 2:30 in the morning that this bill was passed. So there are some areas we would like to get cleared up.

Briefly, if we could just run down the panelists. Admiral Breed, just tell us what else you might add to your personal opinion that we need to look at as far as improving this legislation.

Admiral BREED. I think this is certainly an excellent start. We feel it will particularly help our accession rates. We are not certain how much of an impact it will have on re-enlistment rates, but it will certainly help our accession rates. The package, as it's presented now, I think is a good start and we should work with it for a while and see what the test of time proves out on the effectiveness of the bill.

I don't recommend any major changes. Certainly I would agree with General Berkman and General Walker, that vocational skills, something other than just a bacca-laureate, would be an incentive for recruits of the type that we would be interested in the Coast Guard and that we could benefit from that type of expansion.

Mr. MONTGOMERY. Thank you.

Admiral Kempf.

Admiral KEMPF. Yes, sir. The Naval Reserve also agrees that adding the technical training option would be of great benefit to us. Computer programming and that sort of training would be very good. We would like to be able to have peole get that type of education.

Like General Walker, we feel that some sort of a proportional or commensurate payment for something less than the one-half time student, $70, entitlement. We think payments should be authorized to go below that level proportionate to the number of courses taken. That should be looked at. I think there's an inequity there because our reservists are doing part-time work with us, plus in some cases they have full time jobs and are trying to get an education, too. So, we feel that would be a good area to look at.

One additional area needs attention. We believe that our split trainers have a unique problem. As you recall, we have an option in our Sea and Air Mariner program in which over a 2-year period the young people can complete their initial active duty for training. For example, a college student enlists and goes to boot camp in the summer, then doesn't get his additional training to bring him up to the full 12 weeks until the following summer. That means he completes 2 years of college before he can avail himself of the GI Bill.

We think a simple change, either some retroactive payment or some other way to take care of that split trainer who has 2 years college behind him before he can take advantage of it is needed. Those are the areas we think should be looked at.

Mr. MONTGOMERY. Thank you.

General Walker.

General WALKER. I have one more, sir, if I may take my turn here.

The VA law, the law we've been operating under for a number of years, states that a member can only use 48 months of Veterans' Administration educational benefits. Now, if he has already used 24 months of educational benefits prior to becoming eligible under the New GI Bill, he only has 24 months of benefits remaining that he can use, but yet he must sign up for 6 years. So we ask maybe that that law be examined and see what can be done in that area.

Mr. MONTGOMERY. Thank you.

General Gill.

General GILL. The same three, Mr. Montgomery—expand into the vocational arena, also something less than a half participation, and also eliminating the 48 month rule.

Mr. MONTGOMERY. For the benefit of my colleagues here on the committee as to how important the Reserves are—and General Walker won it a couple of years ago—but this time the F-16s of the Air Reserve were qualified as the top gunnery and flying unit in the United States. I think that speaks very highly of our Reserves, that they can be at the top in competing with the active forces. So you are part of the total force, and I want to congratulate you.

General GILL. Thank you, sir.

General WALKER. But, sir, you've got to remember, he won the top three competitions this year.

Mr. MONTGOMERY. The top three?

General WALKER. The top three.

Mr. MONTGOMERY. Well, you had the top pilot in the A-10s, didn't you?

General GILL. This year we won the airlift competition at Pope for the top airlift unit in the world, and then we won—

Mr. MONTGOMERY. You had better talk into that mike; you're telling us good things.

General GILL. Well, we won the top airlift unit in the world competition down at the Volant Rodeo at Pope Air Force Base earlier in the year. Then we won Gunsmoke, which you alluded to. Then we went into the SAC BOMBNAV competition—and we only participated in the air-refueling portion of it—but we won the air refueling trophy down there this year. So that was sort of a tripel crown win and we're real proud of that.

Mr. MONTGOMERY. Thank you, General Gill. I didn't know about the other two. Congratulations.

General Buehl.

General BUEHL. Sir, we support the idea of the change for vocational training in the present GI Bill to allow Marines to pursue additional vocational education and make it similar to the entitlements for active Marines.

Mr. MONTGOMERY. Thank you.

I want to also thank the Marines. You have really pitched in, as far as active forces, as well as the Army, and have taken this and ran with it.

General Berkman.

General BERKMAN. Mr. Chairman, as is often the case when you're last in line, my colleagues have really covered all the points that I think need to be addressed.

While I do have the mike, let me express again the appreciation that I know we all share for the efforts of this committee in bringing about this very important piece of legislation and for the important support it is providing to our national security through our reserve forces.

Mr. MONTGOMERY. Thank you.

Mr. **Evans**. I would like to ask the panel a question. First of all, let me state the subcommittee has heard that there is some confusion about the benefits available under this program. What efforts have you made in your respective Reserve components to inform all your units about the New GI Bill? We will start with Admiral Breed and just go left to right.

Admiral **Breed**. We have put out a general instruction to the entire field, and this outlines the entire program. That goes to each and every Reserve unit.

We have also put together a data sheet for our recruiters so they understand the program and they have a menu, so to speak, to work off of when they're working with recruiters.

We are also including the GI Bill benefits in all of our regular recruiting advertising, and our Reserve brochure is being updated and revised to reflect the bill. So we're giving it full coverage as an equal partner in all our other recruiting efforts. It will also be included in some of our PSA spot advertisements in the future. So we feel we're giving it top billing with our recruitment efforts.

Admiral **Kempf**. We, too, have gone out with messages, ALLNAVRES messages, to explain the importance of this program. We have advertised in our Navy News release program; we have put information in our naval reservists newspaper, which goes to all naval reservists. We have gotten the Naval Reserve Association, the Reserve Officers Association, and the Naval Enlisted Reserve Association to put things in their publications.

We did a mailer to 1,926,350 individuals, potential recruits. We indicated the GI Bill was one of four major things they should consider in coming with us. We released information to All Hands Magazine, the American Forces Press Service, Approach Magazine—which is a Navy publication—and as I indicated, the Mariner, Naval Affairs, for the Fleet Reserve Association, Naval Aviation News, Navy Times, and the Naval Institute proceedings. We have hit the presses and think we have gotten good coverage we're going to continue, though.

I just got a suggestion at the hearing, which I wrote down, sending every single individual in the Naval Reserve, whether it be IRR or Selected Reserve, a letter on the GI Bill. I'm going to do that.

General **Walker**. Sir, I generally went over my program before you got here—and I'm sorry you missed it—but let me briefly go through it again and add some things.

First of all, every current and every new member of the Army National Guard signs a certificate, a statement of understanding, that he has had the New GI Bill explained to him. On the Air National Guard side, the career advisor at each air base must explain the New GI Bill to the current and new people as they come in.

Prior to July 1, we put on an advertising campaign to alert the people of the availability of the New GI Bill. In front of you is an example, the package there, an example of the advertising we have sent out, which includes some samples of the advertising we have sent to local papers. My emphasis was to get to the mammas and daddies and put it out where they will see it. They're the ones who are going to pay the bill and they're the ones that ought to be interested in this thing just as much as the young man or young woman that is a member.

Before you got here, sir, we ran some television spots that we have had on. So we think we have done a fair job of getting the word out. But I'm still afraid that we have not completed that learning curve. I'm afraid we haven't gotten the word definitely to all members, all mothers and daddies. But we are continuing to work hard on it.

General GILL. We have gotten a good start, but as General Walker said, of course, we have a good way to go. We have gotten the information to our existing reservists, both the unit program and IMA, through the normal publications—the Air Reservist Magazine, commanders newsletters, recruiters and et cetera.

We also mailed out a flyer to every high school graduate in the United States in mid September explaining the New GI Bill, and also U.S. Suburban Press, Inc. had a one-time run over 1 week. We got a thousand leads out of that. We will have in December, January and February an advertisement running at Maxwell Air Force Base in local newspapers. It will be a test run, and if it is successful, then we will expand that into some other areas.

We have gotten a good start, but we still have a long way to go.

Mr. EVANS. General Buehl.

General BUEHL. Well, the first thing we did, sir, was send out an ALMAR to all the Marine Corps establishments, both Reserve and regular. And we have now an 800 number, a toll-free number, at the Marine Corps Reserve Support Center in Kansas City. Anybody can call there and get information on this program, and they do call.

We have sent letters to 32,398 Marines in the SMCR and 45,207 letters, copies of which I have right here, to those in the IRR. We are training the recruiters, which I think is the cutting edge of the whole program. The man who talks to the young man or young woman who wants to be a Marine tells him what his options are and what the advantages are. Eyeball-to-eyeball, where the rubber hits the road, is a key point in an individual's decision, including mom and dad's. The guy that has the information is the recruiter. He had better know these programs.

Finally, we have career planners in the Division and the Wing who have to do the follow-up in the chain of command. So I think we have a pretty comprehensive program, but we're open to good ideas and don't mind stealing them from anybody, like the TV ads here.

Mr. EVANS. General Berkman.

General BERKMAN. Yes, sir. You have examples of the kinds of things that have been going out to current members of the force, whether they be in troop program units or Individual Ready Reserve, as well as to the Reserve leadership. The recruiting command is providing mailers and information to veterans of other services, post-IRR service members and to individuals in high schools also in 2- and 4-year colleges. Of course, ultimately, as General Buehl indicates, it's a tool of the recruiter and the recruiters are becoming thoroughly familiar to be able to exploit this very important tool.

Mr. EVANS. If my colleagues don't have any further questions, I would like to thank you and we appreciate your testimony.

Mr. EVANS. Our final witness today is Dr. David Ponitz, president of Sinclair Community College in Dayton, Ohio. He is a good friend and valued constituent of our ranking member, Bob McEwen, and I will defer to him to introduce Dr. Ponitz.

Mr. McEWEN. Thank you, Mr. Chairman.

Thank you for coming, David.

Mr. PONITZ. My pleasure.

Mr. McEWEN. Dr. Ponitz has been the president of Sinclair Community College for the past 11 years. Sinclair Community College has the largest veterans population of any postsecondary institution in the State of Ohio. He has provided leadership throughout our State, as well as being active in virtually every effort and task force for economic development, job creation and educational improvement in the Dayton and Montgomery County area.

It is indeed an honor to have you here this morning, Doctor, and we thank you for coming. We look forward to your testimony.

STATEMENT OF DAVID H. PONITZ, PRESIDENT, SINCLAIR COMMUNITY COLLEGE, DAYTON, OHIO

Mr. PONITZ. Thank you.

Chairman Evans, Congressman McEwen, it is a special privilege to be introduced by Congressman Bob McEwen, because not only is he a good friend, but he is my Congressman and, more important to our testimony today, we consider him a dedicated and longtime supporter of veterans affairs and we thank him for that.

I would say, Congressman McEwen, that some decisionmakers talk about freedom and don't do much about it, other than waving the flag. But I want to tell this committee that he has been an active supporter of military preparedness and has given attention to military facilities in his district, and has given very special attention to what colleges can and should be doing to assist the veteran and the broad spectrum of students that we choose to serve.

At a recent meeting, an Army General responsible for recruiting in the Midwest said, "Thank God for Sonny Montgomery and his committee for helping the Army attract quality people." I echo that sentiment and offer congratulations from the community colleges of America for that great help.

Chairman Montgomery, it's a special privilege to be able to testify with you here and to publicly say thank you to you personally, as well as to your committee, for your superb piece of work.

I want to talk a little bit about the community colleges' involvement and then get to some very specific kinds of comments that the committee perhaps should address.

We believe that our country is very unique in the world in the postsecondary learning access that it provides. The concept of allowing all Americans the opportunity to try college and to re-enroll as their skill needs change has its roots in the passage of the GI Bill of 1944 and in the post-war development of community colleges, a dream that was really raised to national consciousness by the Truman Commisson on Higher Education. The combination of the more recent GI Bills, the Pell Grants, and the convenience and low cost of community college programs have made that vision a virtual reality for anyone that wished to proceed with a college education.

While the community colleges have now become the largest branch of American higher education, certainly we don't take our mission or our growth for granted. I believe that every community college board and president regards as a public trust the slogan heralded by the AACJC—"Opportunity with Excellence"—as being a very key and very important element.

Even so, we recognize that our institutions have much to learn and we intend to learn more. I speak today for the 1,200 community colleges with 9 million students in credit and noncredit programs.

the New GI Bill, chapter 106, opens access to a new military population which promises to further enhance our national security. By making it possible for the National Guard and reservists to complete college while serving 6 year enlistments, you are giving the Armed Forces the benefit of the higher skills which that education provides. You also provide a powerful incentive to encourage able men and women to become an integral part of our national security.

Those of us at the community colleges think of this as an "up front" GI Bill, and we see it as a policy breakthrough—and we thank this committee for that breakthrough—that could yield benefits to this country. If higher education actively supports it—and we want this committee to know that the community colleges of America certainly do—it could significantly reduce the competition among colleges, employers, and the military, for the diminished flow of graduates now completing high school.

Mr. Chairman, I was intrigued with some of the discussions on vocational, technical education that came about in earlier discussions this morning. May I say to you that although I had not planned to make a specific comment about this, when it comes to improving that particular program the community colleges would strongly urge the inclusion of H.R. 40 as the kicker to entice more reservists and Guard members to take associate degrees in the critical technical areas and skills. H.R. 40, as you know, we call the Bennett-Montgomery bill, and we encourage careful attention to that bill in the very near future.

Let me take a closer look at what's happening with the New GI Bill from those that are out in the field. Let me use Ohio as an example. Ohio has 227 National Guard and Reserve units with 55,000 members. To date, I should share with you that less than 500 members, or less than 1 percent of that force, have made application to claim college benefits under the New GI Bill.

We recognize the bill actually became law July 1 of this year. Yet we believe those responsible for implementation could have more fully geared to launch a full information campaign at that time. If colleges in other States are encountering the same problems we face in Ohio, they are finding the information and materials in the hands of both VA offices and Reserve units to be sketchy and incomplete.

Let me make some specific comments. The most basic tool of the program, the application form and instructions, simply have not been available in the field. Surely this committee should demand of the executive agencies involved that another academic term not elapse before comprehensive informational kits are available to all service personnel.

May I say Chairman Daschle made the point more specifically than I, but I would like to reinforce it in your minds.

I share with you that some Reserve units have general information available, and others have no information. At the risk of overkill, let me say that I sat with some of our reservists and some of our National Guard people at our college. I asked, "Tell me the kinds of experiences you're having specifically with this bill." Some of the comments they gave me:

"I thought I had to fill out one form, but found out I had to fill out two more forms."

"I had to call the Regional VA headquarters—which is 250 miles away from our urban area—and waited another 3 weeks to have them signed."

Another individual said, "Upon going to the VA office in a particular county, I was told they didn't know what to do with the paperwork."

Another said, "I didn't know I was eligible until I started digging into the regulations on my own."

Another individual said, "When I called my unit to get the form, they said they had received only one copy, no duplicate copies could be made, but they were writing for more. Only because the Sinclair VA was helpful did I start receiving my benefits."

Another said, "I had to take a day off from work to go to the VA center in city. They weren't familiar with the forms at all."

I share with you that a poll taken at National Association of Veterans Program Administrators indicates that most colleges this fall have fewer than 25 applicants under chapter 106. Our experience I suggest to you may indicate the reason why.

In conclusion, we suggest that these items might be given your careful attention:

First, the Reserve system needs to develop a marketing plan, a national publicity campaign, if you will, to inform colleges and attract applicants.

Presently, we all know that there are effective TV and radio promotions to recruit individuals to active duty status. A similar emphasis should be given to educational opportunities for the reservists and National Guard.

Let me say those of us in the audience that weren't privileged to see your television promotion here—but General Walker did indicate there was some attention given to that—we would applaud that effort.

Three, the general distribution of application forms and information kits are urgently needed. They are needed now. It has taken too long to get the word out, and one percent certainly is not the intent of this committee.

Fourth, each VA office in the country needs detailed information on how their employees can assist reservists and National Guard members to participate in the New GI Bill. I hope that is moving along well. This committee can be helpful on that point.

Lastly, I would suggest that H.R. 40, the Bennett-Montgomery bill, should be given careful attention if, indeed, the effort of training technicians and persons with vocational skills needed in all levels of the armed forces is to become a reality.

We thank this committee for its leadership in a program which the community colleges of America believe to be a ringing affirmation of higher education's indispensible role in national security. We thank you for the opportunity to testify and would be pleased to answer your questions.

[The prepared statement of Mr. Ponitz appears at p. 332.]

Mr. Evans. Thank you, Doctor. We appreciate your testimony.

We have a pending vote but I think we could maybe do a few questions.

Mr. Chairman.

Mr. Montgomery. Thank you, Mr. Chairman. Doctor, I will be brief. I'm sorry we got to you late in the day, but I like what you said and we certainly will look into those matters.

Your Congressman, Bob McEwen, is an outstanding member of this committee. He works hard and he goes out in the field and looks at this programs.

We are very proud of the community colleges and Frank Mensel, who is here today. He and other representatives of community colleges helped us get the New GI Bill enacted. Your testimony will help us.

Mr. Ponitz. Thank you. We thank you for those comments and will continue to be supportive of those efforts.

Mr. Montgomery. What you said about us, I appreciate it very much.

Mr. Ponitz. Thank you, sir. You have to tell the truth.

Mr. Evans. Mr. McEwen.

Mr. McEwen. Doctor, I agree and want to thank you so much for your kind comments and for your effort to be here.

Since we do have to break, there is just one thing that I would like for you to share with the committee. That is, why is Sinclair, different and why does it have so many more participants as opposed to the other colleges?

Mr. Ponitz. I think Sinclair Community College is different because it understands what high technology is all about. Rather than offering traditional college programs, which are important, we offer a number of programs in robotics, in computer-aided design, computer-aided manufacturing, and numerically controlled machine tooling.

If you were to take computer programs in the military, for example—ADA, Jovial, UNIX, Xenix and all those programs—our institution is in the lead in terms of providing opportunities for Wright-Patterson Air Force Base and other military people to really meet the needs of high technology in all areas rather than in just some areas.

Thank you for the question.

Mr. McEwen. I thank you.

Mr. Evans. Mr. Gray.

Mr. Gray. Thank you, Mr. Chairman. Since we do have a vote, I will just limit my comments to a commendation of the good doctor for his testimony and tell him I agree implicitly with him as it relates to our distinguished chairman and your Congressman, Bob McEwen. They are both doing a tremendous job for this committee.

Mr. PONITZ. Mr. Chairman, Mr. Gray, thank you.

Mr. EVANS. I would also join in the accolades for Bob McEwen, a person I have served with now for nearly 3 years. He has done an outstanding job. We are all era veterans.

I want to thank you, Doctor. I started out at a community college on the GI Bill shortly after my discharge from the Marine Corps. I know the value to me and the veterans of my era. We are glad that you're implementing this bill as effectively as you can.

I would just quickly ask you to respond to what comments you may have in regards to the VA's testimony earlier today. Is it your feeling that the implementation of the chapter 106 program is now on track?

Mr. PONITZ. Well, I understand theory, and I understand "administrivia". I will believe it's on track when the veterans and reservists, the National Guard people, at the institutions in Ohio tell me that it's on track. At the moment, they tell me it is not on track because they don't have the information. I understand the "filter down" theory takes a long time, but I think it is important that we provide some way to get the forms.

The one comment was made this morning, "well, why don't you Xerox some of the forms", and I sensed some reluctance to do that. If we are really interested in getting on with the task at hand, we need to find some way to cut the red tape, cut the "administrivia", and get at it. That's the essential message that we give today.

Mr. EVANS. You might be able to supply us your next semester numbers of people participating in the reservist program, either to your Congressman or to the committee. That might be useful, knowing that this semester—I assume it is nearly ended, or will be ending in another month—and maybe we will have a better implementation of these programs.

Mr. PONITZ. We would be pleased to do that.

Mr. EVANS. Thank you.

At this time we will conclude the hearing and adjourn.

[Whereupon, at 12:30 p.m., the subcommittee was adjourned.]

HONORABLE G. V. (SONNY) MONTGOMERY
STATEMENT BEFORE THE SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT
NOVEMBER 19, 1985

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE, I WANT TO THANK YOU FOR INVITING ME TO PARTICIPATE IN THESE HEARINGS. AS I'M SURE ALL OF YOU KNOW, I AM A TRUE BELIEVER IN THE IMPORTANCE OF THIS NEW GI BILL. IT HAS BEEN MORE THAN FOUR YEARS (JANUARY 28, 1981) THAT I FIRST INTRODUCED H.R. 1400, A BILL TO ESTABLISH A NEW GI BILL FOR THE ALL-VOLUNTEER ARMED FORCES.

I BELIEVE THAT ENACTING THE NEW GI BILL IS ONE OF THE WISEST THINGS THE CONGRESS HAS EVER DONE. WEAPONS AND EQUIPMENT PROCUREMENTS ARE NECESSARY, BUT NOTHING IS MORE CRITICAL TO A SOUND NATIONAL DEFENSE THAN PEOPLE.

IN THE LATE 1970'S AND EARLY 1980'S, WE SAW WHAT COULD HAPPEN TO OUR ARMED FORCES WHEN THE BEST POSSIBLE YOUNG PEOPLE DO NOT CHOOSE TO SERVE IN THE MILITARY. IN 1981, THEN ARMY CHIEF OF STAFF, GEN. EDWARD MEYER, TESTIFIED BEFORE THIS SUBCOMMITTEE. IN HIS STATEMENT HE MADE THE FOLLOWING COMMENT: "DESPITE ALL YOU'VE HEARD, THE BIGGEST SINGLE DETERRENT TO THE CURRENT READINESS OF THE ARMY IS TURBULENCE." GEN. MEYER WENT ON TO EXPLAIN THAT THIS TURBULENCE WAS CAUSED BY THE LARGE NUMBER OF RECRUITS WHO WERE ILL-SUITED TO MILITARY SERVICE. HE CONCLUDED HIS STATEMENT WITH THIS SENTENCE: "I BELIEVE THAT ARMY READINESS WILL BE IMPROVED TODAY AND TOMORROW WITH A GI BILL WHICH SUPPORTS THE ACTIVE AND THE RESERVE, THE FIRST-TERMER AND THE CAREERIST."

WELL, WE LISTENED TO GEN. MEYER, AND WE GAVE HIM THE GI BILL HE AND DOZENS OF OTHER WITNESSES TOLD US OUR ARMED SERVICES NEEDED TO COMPETE FOR THE BRIGHT YOUNG MEN AND WOMEN WE WANT SERVING IN THE MILITARY. THERE WERE THOSE FEW WHO SAID WE DIDN'T NEED THIS PROGRAM. FORTUNATELY, THAT VIEW DID NOT PREVAIL, AND ON JULY 1ST THE NEW GI BILL WENT INTO EFFECT.

THE "TURBULENCE" OUR SERVICES EXPERIENCED A FEW YEARS AGO WILL NOT REOCCUR. THE CONTINUING REDUCTION IN THE UNEMPLOYMENT RATE AND THE DECLINE IN THE MANPOWER POOL FROM WHICH THE ARMED FORCES ATTRACT RECRUITS WILL NOT SEND OUR ARMED FORCES INTO A TAILSPIN. IT WILL NOT HAPPEN BECAUSE THE NEW GI BILL WON'T LET IT HAPPEN.

A FEW WEEKS AGO I, AND SEVERAL OTHER MEMBERS OF THE ARMED SERVICES COMMITTEE, VISITED THE BALTIMORE MILITARY ENTRANCE PROCESSING STATION. PROSPECTIVE RECRUITS VISIT THIS AND SIMILAR STATIONS FOLLOWING ONE OR MORE SESSIONS WITH A RECRUITER. DURING THIS VISIT, I WAS PRIVILEGED TO SPEAK WITH A NUMBER OF FINE YOUNG MEN AND WOMEN ENTERING THE SERVICE. I WAS PARTICULARLY PLEASED BY THE RESPONSE OF THE YOUNG PEOPLE I TALKED WITH WHEN I ASKED WHY THEY HAD CHOSEN TO JOIN THE ARMED FORCES. THEY ALL INDICATED THEY ENTERED THE MILITARY BECAUSE OF THE EDUCATIONAL BENEFITS THEY CAN DERIVE FROM THE NEW GI BILL.

A LOT OF HARD WORK ON THE PART OF THE COMMITTEES ON VETERANS' AFFAIRS AND ARMED SERVICES, THE HOUSE, AND MANY GROUPS WHO KNEW ITS WORTH WENT INTO THE DEVELOPMENT OF THIS EXCELLENT EDUCATIONAL ASSISTANCE PROGRAM. AND I CAN TELL YOU IT WAS ALL WORTH IT. SEEING THE ENTHUSIASM DISPLAYED BY RECENT YOUNG RECRUITS AND KNOWING THE MUTUAL BENEFITS THEY AND OUR ARMED SERVICES WILL GAIN AS A RESULT OF THE NEW GI BILL MAKES IT ALL WORTHWHILE.

IT IS CLEAR TO ME THAT THE NEW GI BILL WILL MEET AND PROBABLY EXCEED MY EXPECTATIONS AS A RECRUITMENT INCENTIVE FOR ALL OF OUR SERVICES. I AM CONFIDENT THAT THIS PROGRAM WILL ATTRACT BRIGHT YOUNG RECRUITS INTO THE MILITARY AND THAT OUR COUNTRY WILL REMAIN STRONG AND SECURE AS A RESULT.

LATER THIS MORNING, LT. GEN. ROBERT M. ELTON, DEPUTY CHIEF OF STAFF OF THE ARMY FOR PERSONNEL, WILL TELL YOU THE POSITIVE IMPACT THE NEW GI BILL IS HAVING ON ARMY RECRUITMENT. HE WILL TELL YOU THAT THE ARMY ENLISTED 17 PERCENT, FROM 13,700 TO 16,000, MORE HIGH QUALITY MALES DURING THE FIRST QUARTER FOLLOWING ENACTMENT OF THE NEW GI BILL THAN IT DID IN FISCAL YEAR 1984. HE WILL ALSO TELL YOU THAT THE ARMY ENLISTED 1,541 ADDITIONAL YOUNG PEOPLE DURING THIS SAME PERIOD IN THE TOP TWO TEST CATEGORIES.

THIS IS VERY GOOD NEWS, MR. CHAIRMAN, AND I HOPE WE HEAR OF SIMILAR EXPERIENCES FROM THE OTHER SERVICES.

I COMMEND YOU FOR BEGINNING A SERIES OF OVERSIGHT HEARINGS ON THE NEW GI BILL TO SEE HOW IT IS WORKING. I BELIEVE YOU AND THE SUBCOMMITEE WILL AGREE THAT WE WILL TAKE WHATEVER ACTION MAY BE NECESSARY TO SEE THAT IT IS FULLY IMPLEMENTED AND I LOOK FORWARD TO HEARING FROM THE DEPARTMENT OF DEFENSE AND THE SERVICES ON WHAT CHANGES SHOULD BE MADE TO MAKE THE BILL EVEN MORE EFFECTIVE.

THIS CONCLUDES MY STATEMENT, MR. CHAIRMAN.

ORIGINAL STATEMENT OF
LIEUTENANT GENERAL EDGAR A. CHAVARRIE

STATEMENT OF
LIEUTENANT GENERAL EDGAR A. CHAVARRIE
DEPUTY ASSISTANT SECRETARY OF DEFENSE
MILITARY MANPOWER AND PERSONNEL POLICY

HEARINGS BEFORE THE

HOUSE COMMITTEE ON VETERANS' AFFAIRS
SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT
CONCERNING THE NEW GI BILL EDUCATION BENEFITS PROGRAM

NOVEMBER 19, 1985

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Mr. Chairman, I am Lieutenant General Edgar A. Chavarrie, Deputy Assistant Secretary of Defense for Military Manpower and Personnel Policy. I am pleased to appear here to discuss the impact of the New GI Bill on the recruiting efforts of the Armed Forces and the advisability of permitting eligible Service members to transfer their New GI Bill benefits to their dependents.

The New GI Bill was implemented by the Department of Defense on July 1, 1985. During FY 1985-FY 1986, the Joint Recruiting Advertising Program (JRAP) will spend about $3 million dollars to promote the New GI Bill. This promotional campaign will employ national network television, national direct mail and posters to introduce the New GI Bill and to create awareness on the part of prospects and influencers that this educational benefit is available in all Military Services.

The Services will describe, in separate testimony, how they are implementing the program.

Education Benefits as a Recruiting Incentive

For over 40 years veterans have been eligible for Federal education assistance under a variety of education assistance programs. These assistance programs have been authorized for a number of reasons: (1) to provide Service members with compensation for low pay, and frequently, involuntary service to country; (2) to make service in the Armed Forces more attractive; (3) to provide an education for those who might not otherwise be able to afford one thus improving the educational attainment of the nation as a whole; and (4) to provide a period of readjustment for those whose education was interrupted by service in the armed forces.

Prior to 1981, the extent to which education benefits serve as a recruiting incentive had never been fully understood. As a result, the Congress mandated a nationwide experiment - the Education Assistance Test Program - conducted during 1981 to evaluate the effectiveness of: (1) a variety of education programs in attracting high-quality recruits, (2) eliminating the contribution requirement associated with the VEAP program then in effect, (3) targeting education benefits to specific skill shortages and (4) giving more help to the Army (because of its more difficult recruiting challenge) without adversely affecting the other Military Services.

The 1981 program yielded important results. It provided the first real evidence that education benefits, if sufficiently generous, can attract high-quality recruits to the Armed Forces, and that equalizing benefit levels across Services would hurt the Army recruiting effort, in hard-to-fill skills.

A separate study conducted by the Congressional Budget Office validated the results of the Education Assistance Test Program, and also pointed out that enlistments of high school graduates with above average aptitude test scores increased with generous education benefits. The study found however, that educational benefits are much less cost effective than targeted incentives such as enlistment bonuses. Further, the study pointed out that negative retention effects may offset gains made in recruiting.

We believe that the New GI Bill has the potential to be a better recruiting incentive than VEAP because of its higher benefit and lower contribution levels. However, with only four months of participation data to draw on, it is still too early to make a definitive statement about the recruitment potential of this program.

There is a problem inherent in the structure of the new program however, that can detract from its usefulness as a recruiting incentive. The Department of Defense believes a change is needed in the current law to provide refunds under certain circumstances to service members who are excluded from receiving benefits. Such a change would improve the equity of the program to the members and would also ease administration. As the law now reads, members are excluded from receiving benefits, even though they have made a nonrefundable contribution, when they do not earn an honorable discharge; do not (with certain limitations) finish 30 months on a 36-month enlistment or 20 months on a 24-month enlistment; and do not earn a high school diploma by the end of their first enlistment. Over 40,000 individuals each year will not qualify for the benefit because of these requirements. This situation might require revisions in discharge and discharge review board practices to deal with these individuals. The Department of Defense is currently considering specific proposals for providing refunds, and will shortly submit a legislative proposal to the Congress for its consideration.

Educational benefits do play an important role in attracting high-quality recruits; but, alone, they are not sufficient to meet future defense manpower requirements. Maintaining competitive pay and benefits, continued emphasis on quality of life programs, and preserving military service as an honored profession have been largely responsible for our past recruiting success, and will remain the cornerstones of our future recruiting programs.

No single incentive or program can meet all the recruiting needs of the Services. Accordingly, the Department of Defense supports the use of education benefits, as an enlistment incentive which is part of a broader program for recruiting and retention.

We will monitor carefully the effect of the New GI Bill on our recruiting and retention programs.

Transferability of Benefits

The Secretary of Defense recently submitted a report to Congress on transferability of Service members' benefits to their dependents.

There is little doubt that transferability, the right to transfer educational benefits earned under the New GI Bill from the member to the member's dependents, would be a popular additional feature to the program. Overall retention, although declining somewhat in FY 85, still remains very good in both the enlisted and officer components at this time. While there are some retention problems in selected skills or communities such as the nuclear engineering and pilot communities in the Navy, it is unlikely that transferability could serve as an effective substitute for the tools we now use to retain qualified people. Targeted incentives are our most effective retention tools.

We asked the Military Departments for their views on transferability. They believe that transferability would be useful; however, they were not anxious to have transferability compete for funding with other recruiting and retention tools within their own budgets. The steady-state cost of transferring the basic benefit would be about $110 million per year, in today's dollars. Our cost estimate assumes that all Service members who participate in the basic benefit program would be eligible to transfer this benefit to a dependent after 10 years of service.

In conclusion, as we monitor the New GI Bill, we will evaluate carefully its role in the total benefits package and continue to assess the need for a transferability provision. Its value as a retention tool would depend upon, among other things, how many members would participate in the basic program, and the retention behavior of those members who do participate as they pass through their first career decision point. Our current assessment is that it is premature to draw unequivocal conclusions regarding the need for transferability. Therefore, we recommend that transferability not be enacted by the Congress at this time.

Mr. Chairman, this concludes my prepared statement. I would be happy to answer any questions the Committee may have.

OMB APPROVED TESTIMONY OF
LIEUTENANT GENERAL EDGAR A. CHAVARRIE

STATEMENT OF
LIEUTENANT GENERAL EDGAR A. CHAVARRIE
DEPUTY ASSISTANT SECRETARY OF DEFENSE
MILITARY MANPOWER AND PERSONNEL POLICY

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Education Benefits as a Recruiting Incentive

For over 40 years veterans have been eligible for Federal education assistance under a variety of education assistance programs. These assistance programs have been authorized for a number of reasons: (1) to provide Service members with compensation for low pay, and frequently, involuntary service to country; (2) to make service in the Armed Forces more attractive; (3) to provide an education for those who might not otherwise be able to afford one thus improving the educational attainment of the nation as a whole; and (4) to provide a period of readjustment for those whose education was interrupted by service in the armed forces.

Prior to 1981, the extent to which education benefits serve as a recruiting incentive had never been fully understood. As a result, the Congress mandated a nationwide experiment - the Education Assistance Test Program - conducted during 1981 to evaluate the effectiveness of: (1) a variety of education programs in attracting high-quality recruits, (2) eliminating the contribution requirement associated with the Post-Vietnam Era Veterans' Educational Assistance Program (VEAP) then in effect, (3) targeting education benefits to specific skill shortages and (4) giving more help to the Army (because of its more difficult recruiting challenge) without adversely affecting the other Military Services.

The 1981 program yielded important results. It provided the first real evidence that education benefits, if sufficiently generous, can attract high-quality recruits to the Armed Forces, and that equalizing benefit levels across Services would hurt the Army recruiting effort, in hard-to-fill skills.

A separate study conducted by the Congressional Budget Office

(March, 1982) validated the results of the Education Assistance Test Program, and also pointed out that enlistments of high school graduates with above average aptitude test scores increased with generous education benefits. The study found however, that educational benefits are much less cost effective than targeted incentives such as enlistment bonuses. Further, the study pointed out that negative retention effects may offset gains made in recruiting.

We believe that the New GI Bill has the potential to be a better recruiting incentive than VEAP because of its higher benefit and lower contribution levels. However, with only four months of participation data to draw on, it is still too early to make a definitive statement about the recruitment potential of this program.

There is a problem inherent in the structure of the new program, however, that can detract from its usefulness as a recruiting incentive. The Department of Defense believes a change is needed in the current law to provide refunds under certain circumstances to service members who are excluded from receiving benefits. Such a change would improve the equity of the program to the members and would also ease administration. As the law now reads, members are excluded from receiving benefits, even though they have made a nonrefundable contribution, when they do not earn an honorable discharge; do not (with certain limitations) finish 30 months on a 36-month enlistment or 20 months on a 24-month enlistment; and do not earn a high school diploma by the end of their first enlistment. Over 40,000 individuals each year will not qualify for the benefit because of these requirements. This situation might require revisions in discharge and discharge review board practices to deal with these individuals. The Department of Defense is currently considering specific proposals for providing refunds, and will shortly submit a legislative proposal to the Congress for its consideration.

Educational benefits do play an important role in attracting high--quality recruits; but, alone, they are not sufficient to meet future defense manpower requirements. Maintaining fair and competitive pay and benefits; continued emphasis on quality of life programs; and preserving military service as an honored and rewarding profession have been responsible in the main for our past recruiting success, and we believe will remain the cornerstones of future recruiting programs.

No single incentive or program can or should meet all recruiting needs of the Services. Accordingly, the Department of Defense supports the use of education benefits, as an enlistment incentive which is part of a broader program for recruiting and retention.

We will monitor carefully the effect of the New GI Bill on our recruiting and retention programs.

Transferability of Benefits

The Secretary of Defense has prepared a report to Congress on transferability of Service members' benefits to their dependents.

There is little doubt that transferability, the right to transfer educational benefits earned under the New GI Bill from the member to the member's dependents, would be a popular additional feature to the program. Overall retention, although declining somewhat in FY 85, remains very good in both the enlisted and officer components at this time. While there are some retention problems in selected skills or communities, such as the nuclear engineering and carrier qualified pilot communities in the Navy, we believe it unlikely that transferability would be an effective substitute for the tools we now use to retain qualified people. Targeted incentives such as Aviation Officer Continuation Pay (AOCP) are our most effective retention tools at present. Because of the funding pressures that we are all now faced with, we asked the Military Departments for their views on transferability. In general, they believe transferability would be useful; however, they were not anxious to have transferability compete for funding with other recruiting and retention tools such as enlistment and retention bonuses within their own budgets. The steady-state cost of transferring the basic benefit would be about $110 million per year, in today's dollars. Our cost estimate assumes that all Service members who participate in the basic benefit program would be eligible to transfer this benefit to a dependent after 10 years of service.

In conclusion, as we monitor the New GI Bill, we will evaluate carefully its role in the total benefits package and continue to assess a transferability provision. Its value as a retention tool would depend upon, among other things, how many members would participate in the basic program, and the retention behavior of those members who do participate as they pass through their first career decision point. Our current assessment is that it is premature to draw unequivocal conclusions regarding the need for transferability. Time will tell us what the correct course should be. Therefore, we recommend that transferability not be enacted at present pending further evidence of its impact on retention and recruiting.

Mr. Chairman, this concludes my prepared statement.

ORIGINAL STATEMENT OF
LIEUTENANT GENERAL ROBERT M. ELTON

RECORD VERSION

STATEMENT BY

LIEUTENANT GENERAL ROBERT M. ELTON

DEPUTY CHIEF OF STAFF FOR PERSONNEL

U. S. ARMY

BEFORE THE

SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT

COMMITTEE ON VETERANS' AFFAIRS

HOUSE OF REPRESENTATIVES

FIRST SESSION, 99TH CONGRESS

NEW GI BILL

19 NOVEMBER 1985

NOT FOR PUBLICATION
UNTIL RELEASED BY THE
HOUSE VETERANS' AFFAIRS
COMMITTEE

THANK YOU, MR. CHAIRMAN. IT IS A PRIVILEGE FOR ME TO APPEAR BEFORE YOU TODAY AND PRESENT THE ARMY STORY ON THE NEW GI BILL AND NEW ARMY COLLEGE FUND.

AFTER AN EXTREMELY INTENSE YEAR OF CONCENTRATED EFFORT, WE ACCOMPLISHED OUR FISCAL YEAR 1985 ENLISTED RECRUITING QUANTITY AND QUALITY MISSION. THE NEW GI BILL AND NEW ARMY COLLEGE FUND ENHANCE OUR EFFORTS TO RECRUIT HIGH QUALITY YOUNG MEN AND WOMEN FOR OUR ACTIVE COMPONENT ARMY. WE EXPECT THE SAME IMPACT IN OUR RESERVE COMPONENTS WHERE WE ALSO HAVE QUALITY GOALS FOR OUR RECRUITERS. WE CONSIDER THE NEW GI BILL AS THE INCENTIVE WHICH MAKES THE SERVICES COMPETITIVE IN THE MARKET PLACE FOR TODAY'S QUALITY YOUTH. UNIQUE TO THE ARMY IS THE NEW ARMY COLLEGE FUND. WE FEEL, BASED ON OUR SURVEY DATA, THAT WITHOUT THE EXTRA EDUCATIONAL DOLLARS THIS FUND OFFERS TO AMERICA'S YOUNG PEOPLE THE ARMY WOULD NOT BE COMPETITIVE WITH THE OTHER SERVICES.

THE CONVERSION FROM THE VEAP (VETERAN'S EDUCATIONAL ASSISTANCE PROGRAM) TO NEW GI BILL OFFERED ALL ARMY LEADERS A TIMELY CHALLENGE DURING THE ARMY'S "YEAR OF LEADERSHIP" IN 1985.

AS A RESULT, THE ARMY BEGAN PRO-ACTIVE IN-SERVICE MARKETING PLANNING IMMEDIATELY AFTER THE BILL WAS SIGNED LAST OCTOBER. IN FEBRUARY, THE ARMY RECRUITING COMMAND HEADQUARTERS SENT MOBILE TRAINING TEAMS TO THE FIELD TO TRAIN ALL RECRUITERS. WE BEGAN OUR NATIONAL MARKETING PROGRAM IN MARCH WITH TELEVISION, RADIO, MAGAZINE, AND NEWSPAPER ADVERTISEMENTS. OUR DIRECT MAIL PROGRAM FOLLOWED IN APRIL. OUR RECRUITING PUBLICITY ITEMS ARE STRONG REINFORCEMENTS TO NATIONAL ADVERTISING AND AS SERVE INVALUABLE TOOLS FOR RECRUITERS TO USE WITH CENTERS OF INFLUENCE IN THE CIVILIAN COMMUNITY, AS WELL AS THE CANDIDATE FOR ENLISTMENT. IN THIS REGARD, THE ARMY PUBLISHED A 16 PAGE PAMPHLET EXPLAINING ALL THE BENEFITS IN A STEP-BY-STEP FORMAT AND REVISED OUR "POCKET RECRUITING GUIDE" WITH UPDATED INFORMATION ON THE NEW GI BILL. IN ADDITION TO THESE PRINTED MATERIALS, WE MADE EIGHT, TWO-MINUTE VIDEO CASSETTES FOR USE BY OUR RECRUITERS.

CONCURRENT WITH OUR EXTERNAL MARKETING PROGRAMS, WE TARGETED OUR IN-SERVICE SOLDIERS FOR ENROLLMENT IN VEAP PRIOR TO EXPIRATION OF THE ENROLLMENT PERIOD. WE MADE A COMMANDER'S GUIDE SPECIFICALLY TO ASSIST THEM IN THEIR EFFORTS. WE CONSIDER THE SIGNIFICANT INCREASE IN VEAP ENROLLMENT IN MAY (30,000) AND JUNE (45,000) COMPARED TO ABOUT 5,000 IN PREVIOUS MONTHS A DIRECT RESULT OF COMMANDERS' POSITIVE MARKETING EFFORTS.

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OCTOBER, 12,000 RESERVE SOLDIERS BECAME ELIGIBLE. APPROXIMATELY 5,000 HAVE ALREADY APPLIED FOR BENEFITS FROM THE VETERAN'S ADMINISTRATION.

ALTHOUGH ARMY RESERVE DATA WILL NOT BE AVAILABLE UNTIL JANUARY, WE BELIEVE, SINCE A HIGH SCHOOL DEGREE AND SIX YEAR ENLISTMENT ARE PREREQUISITES, THAT THE GI BILL INFLUENCED THE 130 PERCENT INCREASE, FROM 933 TO 2,144, IN SIX YEAR QUALITY MALE ENLISTMENTS DURING THE FOURTH QUARTER OF FISCAL 1985.

ALTHOUGH WE ARE ENCOURAGED BY THE POSITIVE RESULTS SO FAR, WE ARE COMMITTED TO DEVELOPING NEW MARKETING STRATEGIES TO BRING FORTH EVEN GREATER PARTICIPATION. IN THIS REGARD, WE SUGGEST MAKING MINOR CHANGES TO THE GI BILL TO MAKE IT MORE ATTRACTIVE TO THOSE INCLINED NOT TO PARTICIPATE.

FIRST, THE NON-REFUNDABLE PROVISION OF THE MEMBER'S CONTRIBUTION IS A DETRACTOR TO OUR YOUNG PEOPLE WHO ARE UNCERTAIN THAT EDUCATION IS PART OF THEIR FUTURE. BY ADDING A ONE-TIME REFUND PROVISION, THE BILL BECOMES POSITIVE TO A LARGER AUDIENCE.

OUR SECOND RECOMMENDATION IS DIRECTED AT THE YOUNG MARRIED ENLISTEES. SINCE ONE OF THREE ARE MARRIED TODAY, THE $100 DEDUCTION PER MONTH FOR 12 MONTHS IS MORE THAN MANY HAVE INDICATED THEY CAN AFFORD. TO HELP THEM OVERCOME THIS HURDLE IN THE FIRST YEAR OF SERVICE, WE OFFER THAT THE PAYMENT BE MADE OVER A 20 MONTH PERIOD AT $60 PER MONTH.

FOR OUR CAREER SOLDIERS, THERE IS CONCERN BY THOSE WHO WILL BE UNABLE TO COMPLETE THREE YEARS OF ACTIVE SERVICE FOR ELIGIBILITY UNDER THE NEW GI BILL. THOSE WHO WERE ON ACTIVE DUTY PRIOR TO 1 JANUARY 1977, AND COVERED UNDER THE VIETNAM ERA GI BILL, WHO CANNOT MEET THIS THREE YEAR REQUIREMENT DUE TO MANDATORY RETIREMENT FOR AGE OR LENGTH OF SERVICE OR SEPARATION BY HARDSHIP OR PHYSICAL DISABILITY SHOULD BE QUALIFIED TO CONVERT TO THE NEW GI BILL.

PROPENSITY FOR OUR RESERVE COMPONENTS SOLDIERS TO BECOME ELIGIBLE WOULD BE ENHANCED WITH TWO CHANGES TO EDUCATIONAL PROGRAMS. WE RECOMMEND THAT THE BENEFITS BE AUTHORIZED FOR COURSES ABOVE THE BACHELOR LEVEL AND THAT THE CONSTRAINT ON VOCATIONAL TRAINING USAGE BE REMOVED. WE FEEL THAT THIS CHANGE WILL BE BENEFICIAL TO THOSE WHO WANT TO PURSUE POST-GRADUATE TRAINING (E.G., NURSES AND EDUCATORS). THIS HELPS ALIGN THE BENEFITS FOR ACTIVE AND RESERVE COMPONENTS AND FURTHER ENHANCES OUR IMAGE AS A TOTAL ARMY AS WELL AS INCREASING PARTICIPATION BY OUR RESERVE COMPONENT SOLDIERS.

WE HAVE ALWAYS SUPPORTED THE NEED AND UTILITY OF EDUCATIONAL INCENTIVES AS AN INVESTMENT IN OUR NATION'S FUTURE. THEY ARE GOOD FOR THE ARMY AND GOOD FOR AMERICA. PROMOTING THE OPPORTUNITY FOR OUR SOLDIERS TO CONTINUE THEIR EDUCATION WILL

MAKE THEM BETTER CITIZENS WHEN THEY RETURN TO CIVILIAN LIFE OR CONTINUE AS CITIZEN-SOLDIERS IN OUR RESERVE COMPONENTS.

THE ARMY ASSOCIATES SPECIAL MEANING WITH THE WORDS, "GI BILL."

THANK YOU FOR TODAY'S OPPORTUNITY TO PRESENT THE ARMY STORY. THROUGH YOUR CONTINUED SUPPORT, I AM CONFIDENT THE NEW GI BILL AND NEW ARMY COLLEGE FUND WILL REMAIN KEY INCENTIVES TO ATTRACTING OUR SHARE OF AMERICA'S QUALITY YOUTH. FOR THEIR DEDICATED SERVICE TO OUR NATIONAL DEFENSE, WE OWE THEM THE OPPORTUNITY TO "BE ALL THEY CAN BE."

OMB APPROVED STATEMENT OF
LIEUTENANT GENERAL ROBERT M. ELTON

RECORD VERSION

STATEMENT BY

LIEUTENANT GENERAL ROBERT M. ELTON

DEPUTY CHIEF OF STAFF FOR PERSONNEL

U. S. ARMY

BEFORE THE

SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT

COMMITTEE ON VETERANS' AFFAIRS

HOUSE OF REPRESENTATIVES

FIRST SESSION, 99TH CONGRESS

NEW GI BILL

19 NOVEMBER 1985

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COMMITTEE

DURING THE FIRST FOUR MONTHS, JULY - OCTOBER 1985, SEVEN OF EVERY TEN ELIGIBLE NEW SOLDIERS PARTICIPATED IN THE NEW GI BILL. ADDITIONALLY, TWO OUT OF THREE GI BILL TAKERS ALSO TOOK THE ARMY COLLEGE FUND.

COMPARING THE NEW GI BILL PARTICIPANTS TO FY82 VEAP PARTICIPANTS, THE ONLY YEAR FOR WHICH A COMPLETE VEAP COHORT EXISTS, SHOWS DRAMATIC PARTICIPATION IMPROVEMENTS WITH THE NEW GI BILL. A SOLDIER'S PARTICIPATION DECISION IS IRREVOCABLE AND THE CONTRIBUTION NON-REFUNDABLE, SOLDIERS PARTICIPATE IN THE NEW GI BILL AT A MUCH HIGHER RATE, 70 PERCENT VERSUS 53 PERCENT, THAN THEY DID IN THE PROGRAM IT REPLACED. WE ARE EVEN MORE ENCOURAGED BY THE DRAMATIC IMPROVEMENT, FROM 53 PERCENT TO 87 PERCENT, IN ARMY COLLEGE FUND PARTICIPATION. THE NEW GI BILL AND ARMY COLLEGE FUND IS A MORE POWERFUL TOOL FOR ATTRACTING QUALITY THAN THE VETERAN'S EDUCATIONAL ASSISTANCE PROGRAM (VEAP) AND ARMY COLLEGE FUND. WE ENLISTED 17 PERCENT, FROM 13,700 TO 16,000, MORE HIGH QUALITY MALES IN THE FIRST QUARTER OF THE NEW GI BILL, THAN WE IN FY84. WE ALSO ENLISTED 1,541 ADDITIONAL YOUNG PEOPLE IN THE TOP TWO TEST CATEGORIES.

OUR RESERVE COMPONENTS DEMONSTRATED A STRONG INTEREST IN PARTICIPATION. RESERVE COMPONENT MEMBERS BECOME ELIGIBLE BY ENLISTING OR REENLISTING FOR SIX YEARS, COMPLETING INITIAL ACTIVE DUTY FOR TRAINING, GRADUATING FROM HIGH SCHOOL OR EQUIVALENT, AND SERVING AT LEAST 180 DAYS IN THE SELECTIVE RESERVE. THROUGH

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ALTHOUGH WE ARE ENCOURAGED BY THE POSITIVE RESULTS SO FAR, WE ARE COMMITTED TO DEVELOPING NEW MARKETING STRATEGIES TO BRING FORTH EVEN GREATER PARTICIPATION. IN THIS REGARD, CAREFULLY CRAFTED CHANGES TO THE GI BILL WILL MAKE THIS PROGRAM MORE ATTRACTIVE TO THOSE INCLINED NOT TO PARTICIPATE.

WE HAVE ALWAYS SUPPORTED THE NEED AND UTILITY OF EDUCATIONAL INCENTIVES AS AN INVESTMENT IN OUR NATION'S FUTURE. THEY ARE GOOD FOR THE ARMY AND GOOD FOR AMERICA. PROMOTING THE OPPORTUNITY FOR OUR SOLDIERS TO CONTINUE THEIR EDUCATION WILL

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TOTAL ARMY PARTICIPATION IN NEW GI BILL

JUL-OCT 85
ACTIVE COMPONENT

ELIGIBLE	ENROLLED	NOT ENROLLED
42,485	29,241	13,244
	68.8%	31.2%

QUALITY 88% I-IIIA

JUL-OCT 85
RESERVE COMPONENT

	ARNG	USAR
ENLISTED	9,225	1,930
OFFICER	1,240	94
TOTAL	10,465	2,024

TOTAL ELIGIBLES 12,489

VA REPORTS THAT APPROXIMATELY 5000 HAVE APPLIED FOR BENEFITS.

SURVEY OF ARMY PERSONNEL ON TRANSFERABILITY OF GI BILL

RESPONDENTS	PERCENT RESPONDING	APPROVE OR STRONGLY APPROVE	RE-UP WITH 10 YEAR SVC RQMT (YES)	IMPACT ON PERSONAL RE-UP? (MORE LIKELY/MUCH MORE LIKELY)	WOULD MORE SM MAKE ARMY CAREER? (YES)
FIRST TERMERS E1-E4 ...	21%	76%	56%	27%	82%
MID-TERMERS E5-E6 ...	29%	82%	68%	46%	75%
CAREERIST E7-E9 ...	50%	93%	77%	50%	84%
TOTAL ...	100%	87%	71%	47%	80%

TOTAL ARMY PARTICIPATION IN NEW GI BILL

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ACTIVE COMPONENT

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SELLING THE GI BILL
IMPROVING PARTICIPATION RATES

PRIOR TO REPORTING FOR ACTIVE DUTY
- o BRIEF ENLISTEE USING VIDEO SEGMENT, PROGRAMMED TEXT
- o SEND ENLISTEE LETTER EXPLAINING GI BILL AND DECISION REQUIRED AT RECEPTION STATION
- o SEND LETTER TO PARENTS EXPLAINING GI BILL BENEFITS
- o PERIODICALLY REMIND ENLISTEES IN DELAYED ENTRY PROGRAM OF GI BILL
- o REMIND ENLISTEE OF BENEFITS WHEN INDIVIDUAL DEPARTS FOR ACTIVE DUTY

AFTER REPORTING FOR ACTIVE DUTY
- o SHOW MOVIE AND PRESENT FINAL BRIEFING
- o ALLOW ENLISTEES TO ENROLL OR DISENROLL

ARMY ADMINISTRATIVE ACTIONS
- o PROVIDE STANDARD BRIEFING TO ALL RECEPTION STATIONS
- o MONITOR PARTICIPATION

PARTICIPATION GOAL: 90 PERCENT

ORIGINAL STATEMENT OF
BRIGADIER GENERAL GAIL M. REALS

NOT FOR PUBLICATION UNTIL RELEASED BY
THE HOUSE VETERANS' AFFAIRS COMMITTEE

STATEMENT OF

BRIGADIER GENERAL GAIL M. REALS

UNITED STATES MARINE CORPS

DIRECTOR, MANPOWER PLANS AND POLICY DIVISION

BEFORE THE

SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT

COMMITTEE ON VETERANS' AFFAIRS

UNITED STATES HOUSE OF REPRESENTATIVES

CONCERNING

THE NEW G.I. BILL

ON

19 NOVEMBER 1985

NOT FOR PUBLICATION UNTIL RELEASED BY
THE HOUSE VETERANS' AFFAIRS COMMITTEE

MR. CHAIRMAN, DISTINGUISHED MEMBERS OF THE SUBCOMMITTEE:

IT IS A PRIVILEGE FOR ME TO APPEAR BEFORE YOU TODAY TO ADDRESS THE ADMINISTRATION OF THE NEW G.I. BILL, ITS CURRENT AND EXPECTED IMPACT ON MARINE CORPS RECRUITING, SOME MINOR RECOMMENDED CHANGES, AND THE ISSUE OF TRANSFERABILITY.

THE MARINE CORPS IS SUPPORTIVE OF THE NEW G.I. BILL AND ANTICIPATES IT WILL HAVE A POSITIVE INFLUENCE ON BOTH RECRUITING AND RETENTION OF HIGH QUALITY YOUNG MARINES. ALTHOUGH AT THIS TIME THE ACTUAL IMPACT CANNOT BE PRECISELY MEASURED, WE BELIEVE IT WILL BE A PLUS FACTOR FOR THE MARINE CORPS AND THE DEFENSE ESTABLISHMENT BECAUSE IT REWARDS VOLUNTARY SERVICE AND RAISES THE EDUCATIONAL LEVEL OF OUR CITIZENS.

THE NEW G.I. BILL IS AN EFFECTIVE RECRUITING TOOL WHEN ENTHUSIASTICALLY ENDORSED BY OUR RECRUITING FORCE AND PRESENTED IN A POSITIVE WAY TO PROSPECTIVE MARINES. TO ENSURE THIS HAPPENS, WE'VE ADDED A CLASS ON THE NEW G.I. BILL TO THE CURRICULUM AT OUR RECRUITERS' SCHOOL. THE RECRUITERS RECEIVE EXTENSIVE TRAINING ON THE PROGRAM'S BENEFITS AND METHODS OF RELATING THEM TO FUTURE APPLICANTS. THUS, THEY CAN EFFECTIVELY PRESENT THE G.I. BILL TO YOUNG MEN AND WOMEN. IN FACT, AS OF 30 OCTOBER 1985, 55% OF OUR NEW RECRUITS REMAINED IN THE PROGRAM. ADDITIONALLY, THE PROGRAM IS PRESENTED THROUGH THE MARINE CORPS' DIRECT MAILING PROGRAM. LETTERS ARE SENT TO HIGH SCHOOL AND JUNIOR COLLEGE STUDENTS EXPLAINING THE NEW G.I. BILL, AND THE STUDENTS HAVE BEEN FOUND TO BE VERY RECEPTIVE.

ON PROCESSING DAY THREE AT THE RECRUIT TRAINING DEPOTS, THE PROVISIONS OF THE NEW G.I. BILL ARE EXPLAINED TO THE RECRUITS.

THIS IS DONE TO ENSURE THAT THEY UNDERSTAND THE VOLUNTARY NATURE OF THE PROGRAM AND THAT THEY MAY DISENROLL. FURTHER, THEY ARE INFORMED THAT IF THEY OPT OUT OF THE PROGRAM THEY CANNOT CHANGE THEIR MINDS LATER. REQUIRED ADMINISTRATIVE ACTIONS ARE THEN TAKEN, AND CHECKS AND BALANCES IN THE SYSTEM ENSURE THAT PROPER ENTRIES ARE MADE.

THE NEW G.I. BILL HAS HAD MINIMAL IMPACT ON ACTIVE FORCE RECRUITING AT THIS TIME, PRIMARILY BECAUSE CURRENT RECRUITS ARE ENTERING FROM THE DELAYED ENTRY PROGRAM. THEY HAD DECIDED ON ENLISTING PRIOR TO IMPLEMENTATION OF THE NEW G.I. BILL. INTERESTING TO NOTE, HOWEVER, IS THAT SINCE THE BEGINNING OF THE NEW G.I. BILL, SOME PRIVATE SCHOOLS HAVE BEEN MORE RECEPTIVE TO MARINE CORPS RECRUITERS. ALSO, PARENTS SEEM TO BE MORE INTERESTED IN THE EDUCATIONAL BENEFITS THAN DO THEIR SONS OR DAUGHTERS.

THE MARINE CORPS BELIEVES THE NEW G.I. BILL WILL HAVE A POSITIVE IMPACT ON RECRUITING IN THE FUTURE. AS THE WORD GETS OUT THROUGH ADVERTISING AND PUBLIC AWARENESS INCREASES, INDIVIDUALS ARE TAKING A CLOSER LOOK AT THE PROGRAM'S BENEFITS. HIGHER TUITION COSTS ARE FORCING INDIVIDUALS WHO WANT TO CONTINUE THEIR EDUCATION TO LOOK SERIOUSLY AT ALTERNATIVES SUCH AS THE G.I. BILL. PARENTS SEE THIS AS AN OPPORTUNITY FOR THEIR SONS OR DAUGHTERS TO GAIN EXPERIENCE, LEARN A SKILL, AND THEN RECEIVE HELP IN PAYING COLLEGE TUITION. WITH THE MARINE CORPS' EMPHASIS ON ATTRACTING HIGH QUALITY RECRUITS, MORE OF THESE INDIVIDUALS ARE APT TO BE INTERESTED IN COLLEGE.

ALTHOUGH WE ACKNOWLEDGE THAT THE NEW G.I. BILL IS A FINE PROGRAM, THERE ARE SOME MINOR CHANGES THAT COULD BE MADE THAT WOULD MAKE IT MORE ATTRACTIVE. TWO SUCH CHANGES ARE (1) THE REDUCTION IN THE MONTHLY CONTRIBUTION WHILE LENGTHENING THE PERIOD, AND (2) A ONE-TIME REFUND PROVISION. RECRUITERS SAY THAT INDIVIDUALS SEEM VERY RELUCTANT WHEN TOLD THEIR PAY WILL BE REDUCED BY $100 PER MONTH AT THE OUTSET OF ACTIVE DUTY. IT IS DIFFICULT FOR YOUNG RECRUITS TO SEE THIS AS AN INVESTMENT VERSUS A DEDUCTION. THE NO REFUND PROVISION ALSO CONCERNS THEM BECAUSE THEY MAY LATER DECIDE NOT TO CONTINUE THEIR EDUCATION. AGAIN, THEY SEE IT AS MONEY LOST. A PROPOSED DOD LEGISLATIVE PACKAGE HAS BEEN PREPARED INCLUDING THESE CHANGES PLUS ONE OTHER, WHICH IS TO ALLOW AN INDIVIDUAL MORE TIME TO CONSIDER THE PROGRAM BEFORE BEING GIVEN THE OPTION NOT TO PARTICIPATE. THE MARINE CORPS SUPPORTS THESE CHANGES.

I WOULD LIKE TO NOW ADDRESS THE ISSUE OF TRANSFERABILITY OF G.I. BILL BENEFITS TO DEPENDENTS. THIS WOULD NOT ONLY BE A SELLING POINT TO ATTRACT HIGH QUALITY PERSONNEL, BUT WOULD ALSO RETAIN THOSE FINE PEOPLE WE NOW HAVE. A RECENTLY COMPLETED STUDY, "WHO LEAVES, STAYS AND WHY," INDICATED THAT SPOUSES ARE THE MOST IMPORTANT INFLUENCE IN THE REENLISTMENT DECISION PROCESS. WITH THE INCREASING NUMBER OF MARINE FAMILIES RELYING ON TWO INCOMES, JUNIOR MARINES WOULD BENEFIT BY CONTINUED EDUCATION FOR THEIR SPOUSES IN ORDER TO SECURE MORE MARKETABLE SKILLS. HOWEVER, THE MARINE CORPS CAN ONLY SUPPORT TRANSFERABILITY OF BENEFITS TO DEPENDENTS IF THE VETERANS ADMINISTRATION CONTINUES TO FUND THE BASIC BENEFIT PROVIDED BY THE PROGRAM.

IT HAS BEEN DISCUSSED THAT IF THE NEW G.I. BILL PROVES TO BE AN EFFECTIVE PROGRAM, IT MIGHT BE PRUDENT TO REDUCE CURRENT ENLISTMENT AND REENLISTMENT BONUS PROGRAMS. OUR ENLISTMENT AND REENLISTMENT BONUS PROGRAMS ARE DESIGNED TO ATTRACT THE "RIGHT" MARINE FOR THE "RIGHT" JOB; THESE PROGRAMS HAVE PROVEN TO HAVE A POSITIVE IMPACT ON RECRUITING AND RETAINING QUALITY PERSONNEL. ANY MOVE TO SUBSTITUTE G.I. BILL BENEFITS FOR OUR CURRENT BONUS PROGRAMS WOULD BE UNACCEPTABLE. THE BONUS PROGRAMS AND THE G.I. BILL FULFILL VERY DIFFERENT NEEDS.

IN CONCLUSION, THE MARINE CORPS CONSIDERS THAT THE NEW G.I. BILL, WHEN USED IN CONJUNCTION WITH OUR BONUS PROGRAMS, ENHANCES OUR ABILITY TO BRING FINE YOUNG PEOPLE INTO THE CORPS. FINALLY, MR. CHAIRMAN, I WOULD LIKE TO THANK YOU AND THIS SUBCOMMITTEE FOR YOUR CONTINUED SUPPORT OF EDUCATIONAL BENEFITS FOR MEMBERS OF THE ARMED FORCES. THE MARINE CORPS SUPPORTS THE NEW G.I. BILL AND BELIEVES THAT THE MINOR CHANGES I HAVE DISCUSSED TODAY WILL STRENGTHEN THE ATTRACTIVENESS OF THE NEW G.I. BILL.

OMB APPROVED STATEMENT OF
BRIGADIER GENERAL GAIL M. REALS

NOT FOR PUBLICATION UNTIL RELEASED BY
THE HOUSE VETERANS' AFFAIRS COMMITTEE

STATEMENT OF

BRIGADIER GENERAL GAIL M. REALS

UNITED STATES MARINE CORPS

DIRECTOR, MANPOWER PLANS AND POLICY DIVISION

BEFORE THE

SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT

COMMITTEE ON VETERANS' AFFAIRS

UNITED STATES HOUSE OF REPRESENTATIVES

CONCERNING

THE NEW G.I. BILL

ON

19 NOVEMBER 1985

NOT FOR PUBLICATION UNTIL RELEASED BY
THE HOUSE VETERANS' AFFAIRS COMMITTEE

MR. CHAIRMAN, DISTINGUISHED MEMBERS OF THE SUBCOMMITTEE:

IT IS A PRIVILEGE FOR ME TO APPEAR BEFORE YOU TODAY TO ADDRESS THE ADMINISTRATION OF THE NEW G.I. BILL, ITS CURRENT AND EXPECTED IMPACT ON MARINE CORPS RECRUITING, A RECOMMENDED CHANGE, AND THE ISSUE OF TRANSFERABILITY.

THE NEW G.I. BILL IS A MORE EFFECTIVE RECRUITING TOOL WHEN ENTHUSIASTICALLY ENDORSED BY OUR RECRUITING FORCE AND PRESENTED IN A POSITIVE WAY TO PROSPECTIVE MARINES. TO ENSURE THIS HAPPENS, WE'VE ADDED A CLASS ON THE NEW G.I. BILL TO THE CURRICULUM AT OUR RECRUITERS' SCHOOL. THE RECRUITERS RECEIVE EXTENSIVE TRAINING ON THE PROGRAM'S BENEFITS AND METHODS OF RELATING THEM TO FUTURE APPLICANTS. THUS, THEY CAN EFFECTIVELY PRESENT THE G.I. BILL TO YOUNG MEN AND WOMEN. IN FACT, AS OF 30 OCTOBER 1985, 55% OF OUR NEW RECRUITS REMAINED IN THE PROGRAM. ADDITIONALLY, THE PROGRAM IS PRESENTED THROUGH THE MARINE CORPS' DIRECT MAILING PROGRAM. LETTERS ARE SENT TO HIGH SCHOOL AND JUNIOR COLLEGE STUDENTS EXPLAINING THE NEW G.I. BILL, AND THE STUDENTS HAVE BEEN FOUND TO BE VERY RECEPTIVE.

ON PROCESSING DAY THREE AT THE RECRUIT TRAINING DEPOTS, THE PROVISIONS OF THE NEW G.I. BILL ARE EXPLAINED TO THE RECRUITS. THIS IS DONE TO ENSURE THAT THEY UNDERSTAND THE VOLUNTARY NATURE OF THE PROGRAM AND THAT THEY MAY DISENROLL. FURTHER, THEY ARE INFORMED THAT IF THEY OPT OUT OF THE PROGRAM THEY CANNOT CHANGE THEIR MINDS LATER. REQUIRED ADMINISTRATIVE ACTIONS ARE THEN TAKEN, AND CHECKS AND BALANCES IN THE SYSTEM ENSURE THAT PROPER ENTRIES ARE MADE.

THE NEW G.I. BILL HAS HAD MINIMAL IMPACT ON ACTIVE FORCE RECRUITING AT THIS TIME, PRIMARILY BECAUSE CURRENT RECRUITS ARE ENTERING FROM THE DELAYED ENTRY PROGRAM. THEY HAD DECIDED ON ENLISTING PRIOR TO IMPLEMENTATION OF THE NEW G.I. BILL. INTERESTING TO NOTE, HOWEVER, IS THAT SINCE THE BEGINNING OF THE NEW G.I. BILL, SOME PRIVATE SCHOOLS HAVE BEEN MORE RECEPTIVE TO MARINE CORPS RECRUITERS. ALSO, PARENTS SEEM TO BE MORE INTERESTED IN THE EDUCATIONAL BENEFITS THAN DO THEIR SONS OR DAUGHTERS.

THE MARINE CORPS BELIEVES THE NEW G.I. BILL MAY HAVE A POSITIVE IMPACT ON RECRUITING IN THE FUTURE. AS THE WORD GETS OUT THROUGH ADVERTISING AND PUBLIC AWARENESS INCREASES, INDIVIDUALS MAY BE TAKING A CLOSER LOOK AT THE PROGRAM'S BENEFITS. HIGHER TUITION COSTS ARE FORCING INDIVIDUALS WHO WANT TO CONTINUE THEIR EDUCATION TO LOOK SERIOUSLY AT ALTERNATIVES SUCH AS THE G.I. BILL. PARENTS MAY SEE THIS AS AN OPPORTUNITY FOR THEIR SONS OR DAUGHTERS TO GAIN EXPERIENCE, LEARN A SKILL, AND THEN RECEIVE HELP IN PAYING COLLEGE TUITION. WITH THE MARINE CORPS' EMPHASIS ON ATTRACTING HIGH QUALITY RECRUITS, MORE OF THESE INDIVIDUALS ARE APT TO BE INTERESTED IN COLLEGE.

WE BELIEVE A CHANGE IS NEEDED IN THE CURRENT LAW TO PROVIDE REFUNDS UNDER CERTAIN CIRCUMSTANCES TO SERVICEMEMBERS WHO ARE EXCLUDED FROM RECEIVING BENEFITS. SUCH A CHANGE WOULD IMPROVE THE EQUITY OF THE PROGRAM TO THE MEMBERS AND WOULD ALSO EASE ADMINISTRATION. AS THE LAW NOW READS, MEMBERS ARE EXCLUDED FROM RECEIVING BENEFITS, EVEN THOUGH THEY HAVE MADE A NON-REFUNDABLE CONTRIBUTION, WHEN THEY DO NOT EARN AN HONORABLE DISCHARGE; DO

NOT (WITH CERTAIN LIMITATIONS) FINISH 30 MONTHS ON A 36-MONTH ENLISTMENT OR 20 MONTHS ON A 24-MONTH ENLISTMENT; AND DO NOT EARN A HIGH SCHOOL DIPLOMA BY THE END OF THEIR FIRST ENLISTMENT. THIS SITUATION WILL REQUIRE THE MILITARY SERVICES TO REVISE DISCHARGE AND DISCCHARGE REVIEW BOARD PRACTICES TO DEAL WITH THESE INDIVIDUALS. THE DEPARTMENT OF DEFENSE IS CURRENTLY CONSIDERING SPECIFIC PROPOSALS FOR PROVIDING REFUNDS, AND WILL SHORTLY SUBMIT A LEGISLATIVE PROPOSAL TO THE CONGRESS FOR ITS CONSIDERATION.

I WOULD LIKE TO NOW ADDRESS THE ISSUE OF TRANSFERABILITY OF G.I. BILL BENEFITS TO DEPENDENTS. THE MARINE CORPS SUPPORTS THE FINDINGS OF THE SECRETARY OF DEFENSE IN HIS REPORT TO CONGRESS ON TRANSFERABILITY AND WILL CONTINUE TO ACCESS THE NEED FOR TRANSFERABILITY AS PART OF THE NEW GI BILL BENEFITS PACKAGE. AT THIS TIME, WE RECOMMEND THAT TRANSFERABILITY NOT BE ENACTED BY CONGRESS.

IT HAS BEEN DISCUSSED THAT IF THE NEW G.I. BILL PROVES TO BE AN EFFECTIVE PROGRAM, IT MIGHT BE PRUDENT TO REDUCE CURRENT ENLISTMENT AND REENLISTMENT BONUS PROGRAMS. OUR ENLISTMENT AND REENLISTMENT BONUS PROGRAMS ARE DESIGNED TO ATTRACT THE "RIGHT" MARINE FOR THE "RIGHT" JOB; THESE PROGRAMS HAVE PROVEN TO HAVE A POSITIVE IMPACT ON RECRUITING AND RETAINING QUALITY PERSONNEL. ANY MOVE TO SUBSTITUTE G.I. BILL BENEFITS FOR OUR CURRENT BONUS PROGRAMS WOULD BE UNACCEPTABLE. THE BONUS PROGRAMS AND THE G.I. BILL FULFILL VERY DIFFERENT NEEDS.

IN CONCLUSION, THE MARINE CORPS CONSIDERS THAT EDUCATIONAL PROGRAMS, WHEN USED IN CONJUNCTION WITH OUR BONUS PROGRAMS, ENHANCES OUR ABILITY TO BRING FINE YOUNG PEOPLE INTO THE CORPS. FINALLY, MR. CHAIRMAN, I WOULD LIKE TO THANK YOU AND THIS SUBCOMMITTEE FOR YOUR CONTINUED SUPPORT OF EDUCATIONAL BENEFITS FOR MEMBERS OF THE ARMED FORCES.

ORIGINAL STATEMENT OF
REAR ADMIRAL BENJAMIN T. HACKER

NOT FOR PUBLICATION UNTIL
RELEASED BY THE HOUSE
VETERANS AFFAIRS COMMITTEE

STATEMENT OF

REAR ADMIRAL BENJAMIN T. HACKER, U. S. NAVY

DIRECTOR

TOTAL FORCE TRAINING AND EDUCATION DIVISION

BEFORE THE

EDUCATION, TRAINING AND EMPLOYMENT SUBCOMMITTEE

OF THE

HOUSE VETERANS AFFAIRS COMMITTEE

ON

NEW GI BILL

19 NOVEMBER 1985

NOT FOR PUBLICATION UNTIL
RELEASED BY THE HOUSE
VETERANS AFFIARS COMMITTEE

Mr. Chairman and members of the Committee, it is a distinct pleasure for me to appear before you today on behalf of the Navy to discuss specific issues with regard to the new GI Bill. My remarks today will focus on our implementation and administration of the new GI Bill, its role in our recruiting effort and proposed legislative changes including the transfer of benefits to dependents.

As with any new program, the Navy experienced some growing pains with initial implementation of the new GI Bill. However, as a direct result of our present efforts at the recruiting level, the Recruit Training Commands (RTCs) report recruits are much more aware of the GI Bill today than they were when the program was first implemented in July. We have also experienced in recent weeks a significant increase in GI Bill participation. This is due primarily to the personal commitment of our commanding officers and the development of an Instructor's Guide (IG). The IG provides a thorough indoctrination for all recruits and standardizes the presentation to ensure accuracy and uniformity. These presentations at the RTCs are being given by experienced petty officers.

Our actual participation rate for the first three months of the new GI Bill was 25 percent. In the month of October the Navy's participation rate increased to 35 percent. This rate already exceeds the results we had with the Veterans Educational

Assistance Program (VEAP) where we experienced an overall Navy particpation rate of 24 percent.

The impact of the new GI Bill on our recruiting effort is still uncertain. While Navy numerical accession goals are being achieved, new enlistment contracts are being written at a rate well below our management objective. As a result, the Delayed Entry Program (DEP) pool is being drawn down. Accession quality, as measured by upper Mental Group category, is also declining, and the number of High School Diploma Graduate accessions is decreasing. The shrinking DEP pool and the changes in upper Mental Group category and High School Diploma Graduate accessions are largely attributed to present economic conditions. We are unable to determine how much more they might have decreased without the new GI Bill.

The Navy has made a commitment to ensure that potential enlistees are thoroughly familiar with the new GI Bill. We train our recruiters on how to use the GI Bill as a recruiting tool and provide them with instruction on the basics of the program. An informational pamphlet, question and answer sheet, and a letter of welcome describing the new GI Bill is presented to each applicant at the recruiting station. It suggests a thorough discussion with parents and/or school guidance counselors prior to reaching a decision on whether or not to participate in the program. We believe that these efforts will ensure that all recruits are properly informed and prepared to make their one-time-only decision on GI Bill participation upon arrival at the RTC.

We remain concerned, however, that because of the structure of the new GI Bill, young men and women entering the Navy are being asked to make an extremely important decision in a short period of time; a decision which could have a major impact on their future. Recent informal surveys have indicated that the requirement to elect not to participate (exercised within the first two weeks of entering on active duty) coupled with no provision for a refund, and a sizable deduction in pay of $100 a month for the first twelve months, has caused numbers of recruits to elect not to participate in the new GI Bill. The Department of Defense has prepared a legislative proposal that addresses our concerns. We wholeheartedly support this request for legislative change which will provide us with a more attractive and viable GI Bill for the men and women of our Navy.

In response to your request for the Navy's views on permitting eligible servicemembers to transfer their new GI Bill entitlement to their dependents, the Navy strongly supports the concept of transferability as a means to promote higher retention of experienced personnel. We believe the services should retain the flexibility to design a program tailored to their unique needs. For example, the Navy would prefer that transferability be subject to the following conditions: (1) should only be provided while the member continues on active duty, or upon death, discharge for hardship or service-connected disability, or completion of 20 years of active duty; (2) should be made available upon completion of ten or more continuous years on active duty; (3) should be available to all members, officers and enlisted, who satisfy the basic eligibility criteria; and (4) at the time the member is eligible for transferability, should provide an enrollment opportunity for those who did not previously elect to participate.

The Navy is on public record in stating that a basic educational entitlement in return for honorable military service makes good sense. We continue to support this ideal, and will work to ensure that the young men and women entering the Navy are made aware of the opportunity to participate in this great tradition. With your assistance we can provide our young people with a more effective GI Bill.

I want to thank you for this opportunity to express the Navy's views on these most important issues. I shall be pleased to respond to any questions you might have.

OMB APPROVED STATEMENT OF
REAR ADMIRAL BENJAMIN T. HACKER

**NOT FOR PUBLICATION UNTIL
RELEASED BY THE HOUSE
VETERANS AFFAIRS COMMITTEE**

STATEMENT OF

REAR ADMIRAL BENJAMIN T. HACKER, U. S. NAVY

DIRECTOR

TOTAL FORCE TRAINING AND EDUCATION DIVISION

BEFORE THE

EDUCATION, TRAINING AND EMPLOYMENT SUBCOMMITTEE

OF THE

HOUSE VETERANS AFFAIRS COMMITTEE

ON

NEW GI BILL

19 NOVEMBER 1985

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VETERANS AFFAIRS COMMITTEE**

Mr. Chairman and members of the Committee, it is a distinct pleasure for me to appear before you today on behalf of the Navy to discuss specific issues with regard to the new GI Bill. My remarks today will focus on our implementation and administration of the new GI Bill and its role in our recruiting effort.

As with any new program, the Navy experienced some growing pains with initial implementation of the new GI Bill. However, as a direct result of our present efforts at the recruiting level, the Recruit Training Commands (RTCs) report recruits are much more aware of the GI Bill today than they were when the program was first implemented in July. We have also experienced in recent weeks a significant increase in GI Bill participation. This is due primarily to the personal commitment of our commanding officers and the development of an Instructor's Guide (IG). The IG provides a thorough indoctrination for all recruits and standardizes the presentation to ensure accuracy and uniformity. These presentations at the RTCs are being given by experienced petty officers.

Our actual participation rate for the first three months of the new GI Bill was 25 percent. In the month of October the Navy's participation rate increased to 35 percent. This rate already exceeds the results we had with the Veterans Educational Assistance Program (VEAP) where we experienced an overall Navy particpation rate of 24 percent.

The impact of the new GI Bill on our recruiting effort is still uncertain. While Navy numerical accession goals are being achieved, new enlistment contracts are being written at a rate well below our management objective. As a result, the Delayed Entry Program (DEP) pool is being drawn down. Accession quality, as measured by upper Mental Group category, is also declining, and the number of High School Diploma Graduate accessions is decreasing. The shrinking DEP pool and the changes in upper Mental Group category and High School Diploma Graduate accessions are largely attributed to present economic conditions.

The Navy has made a commitment to ensure that potential enlistees are thoroughly familiar with the new GI Bill. We train our recruiters on how to use the GI Bill as a recruiting tool and provide them with instruction on the basics of the program. An informational pamphlet, question and answer sheet, and a letter of welcome describing the new GI Bill are presented to each applicant at the recruiting station. It suggests a thorough discussion with parents and/or school guidance counselors prior to reaching a decision on whether or not to participate in the program. We believe that these efforts will ensure that all recruits are properly informed and prepared to make their one-time-only decision on GI Bill participation upon arrival at the RTC.

We remain concerned, however, about the structure of the new

GI Bill. As the law now reads, members are excluded from receiving benefits, even though they have made a nonrefundable contribution, when they do not earn an honorable discharge; do not (with certain limitations) finish 30 months on a 36-month enlistment or 20 months on a 24 month enlistment; and do not earn a high school diploma by the end of their first enlistment. This situation will require the military services to revise discharge and discharge review board practices to deal with these individuals. The Department of Defense is currently considering specific proposals for providing refunds, and will shortly submit a legislative proposal to the Congress for its consideration.

In response to your request for the Navy's views on permitting eligible servicemembers to transfer their new GI Bill entitlement to their dependents, the Navy supports the conclusion reached in the Secretary of Defense report to the Congress on transferability which stated that "it is premature to draw unequivocal conclusions regarding the need for transferability and that transferability should not be enacted at this time".

The Navy is on public record in stating that a basic educational entitlement in return for honorable military service makes good sense. We continue to support this ideal, and will work to ensure that the young men and women entering the Navy are made aware of the opportunity to participate in this great tradition.

I want to thank you for this opportunity to express the Navy's views on these most important issues. I shall be pleased to respond to any questions you might have.

DEPARTMENT OF THE AIR FORCE

PRESENTATION TO
HOUSE COMMITTEE ON VETERANS' AFFAIRS
HOUSE OF REPRESENTATIVES
SUBCOMMITTEE ON EDUCATION, TRAINING, AND EMPLOYMENT

SUBJECT: OVERSIGHT HEARING TO REVIEW THE IMPLEMENTATION, ADMINISTRATION, AND STRUCTURE OF THE NEW GI BILL

STATEMENT OF: WINFIELD S. HARPE
MAJOR GENERAL, USAF
DIRECTOR OF PERSONNEL PROGRAMS

NOVEMBER 19, 1985

NOT FOR PUBLICATION UNTIL RELEASED
BY THE HOUSE COMMITTEE ON VETERANS' AFFAIRS
HOUSE OF REPRESENTATIVES

OPENING STATEMENT

Mr Chairman and members of the Subcommittee, it is a privilege for me to appear before you today to discuss the new GI Bill. I'll begin my remarks with a brief review of Air Force recruiting and retention status.

Our enlisted recruiting is going very well. We met our FY 85 objective which was a 5,000 increase over FY 84, and our quality indicators held at about the same levels as FY 84. Given adequate resources, we can continue to recruit enough people with the right aptitude for the foreseeable future.

The retention environment is fragile. After a record low in FY 79, both enlisted and officer retention peaked in FY 83, moderated in FY 84, and experienced a decline in FY 85. Factors contributing to the downturn include: private sector employment opportunities, increased airline hiring; a widening pay comparability gap; and headlines threatening changes to the military retirement system.

The Air Force has historically supported the need for a flexible educational incentives program which provides a balance in its provisions between recruiting and retention. We were very pleased to see the passage of the New GI Bill in October 1984. The expenditure of funds for education incentives is prudent insofar as it assists us in attracting and retaining high quality young people. Studies clearly indicate that programs such as the New GI Bill have in the long run had a positive effect on the national good.

With respect to our implementation of the New GI Bill, we contributed substantially to the DOD Task Force that developed DOD Directive 1322.16 which implemented the New GI Bill. In February while the Directive was being drafted, we held meetings with all Air Force agencies having a part in implementing and administering the new program; and by early May we distributed comprehensive policy and guidance to all field activities. Immediately thereafter the Air Force began spreading the word. Every Air Force Recruiting Group Headquarters was briefed on all aspects of the program. This provided our recruiting community with a significant head start in understanding the Bill and gave them the opportunity to seek clarification of the many provisions it contains.

Potential recruits are advised of the New GI Bill in a variety of ways. Joint service advertising, i.e., TV spots, has helped to create a public awareness. During personal interviews Air Force recruiters explain the program and its benefits to prospective enlistees (at several points during the recruiting accession process). An Air Force Fact Sheet, titled "An Air Force Guide to the New GI Bill", is presented to each applicant early in the recruiting process. A personalized letter is also sent to the parents of each recruit explaining the benefits of the program and suggesting the parents encourage the recruit to participate. We are continuing to look for new ways to improve our outreach efforts.

On the second day of Basic Military Training (Recruit Training), all recruits are thoroughly briefed on the New GI Bill and given a copy of our GI Bill Guide. On the seventh day of training, they must elect to either accept or decline participation in the program.

As of 31 Oct 85, the Air Force has experienced a 38% acceptance rate among new eligible accessions. We attribute this to the newness of the program and certain features which are unattractive to eligible persons.

A recent on-the-spot survey of over 300 recruits, coupled with the recommendation of our senior administrators at our Basic Military Training Center, indicated that specific adjustments to the program would yield greater participation.

At the outset, we find that the 14-day period in which recruits must elect to participate is working against us. During the first two weeks of Basic Training recruits are inundated with briefings from dawn to dusk. After this initial indoctrination phase, they enter the advanced stage of training and then are familiar with the full range of in-service educational programs available to them and are aware of how the GI Bill will embellish these programs. We therefore strongly urge that the election period be extended to 30 days.

We believe a further increase in the propensity of recruits to elect the New GI Bill would result if the level and rate of deduction were altered. Many of our young people are either married or are supporting family members at home. Although they personally desire the New GI Bill benefits, their financial status precludes participation. To overcome this, we suggest that the deduction be changed from $100 per month for twelve months to $60 per month for twenty months.

Another equally bothersome feature of the program is the nonrefundable provision of the member's contribution. A one-time refund of the deduction, which could be exercised at any time during the entitlement period, would eliminate the press of uncertainty felt by young people who are unclear about what the future holds for them. Although we don't believe many people would exercise this option, we would anticipate that a refund provision would significantly increase participation in the program.

Lastly, we believe that the Bill should be amended to include a survivorship provision which will return the member's contribution to their beneficiary or estate in the event of their death.

Concerning the advisability of permitting eligible service members to transfer their GI Bill entitlement to their dependents, we favor a discretionary transferability feature as a positive retention device. If enacted, we estimate the participation and utilization rates would increase. The Air Force proposes to require some form of active duty service commitment consistent with force management objectives as a condition for the use of the transferability feature.

We believe that transferability of the basic benefit should also be funded by the Veterans Administration. Despite the inherent benefits of transferability, the Air Force does not believe it prudent to divert resources from higher priority programs at this point in order to fund the transferability provision.

Thank you for the opportunity to address you on this very important issue. With your support and the changes indicated above, we are confident that the New GI Bill can be an even larger enhancement for the recruitment and retention of high quality young people for the U.S. Air Force.

NOVEMBER 19, 1985

STATEMENT BY

REAR ADMIRAL HENRY H. BELL

U. S. COAST GUARD

BEFORE THE

COMMITTEE ON VETERANS' AFFAIRS

SUBCOMMITTEE ON EDUCATION, TRAINING

AND EMPLOYMENT

U. S. HOUSE OF REPRESENTATIVES

ON

THE VETERANS' EDUCATIONAL

ASSISTANCE ACT OF 1984

MR. CHAIRMAN, I AM REAR ADMIRAL HENRY H. BELL, CHIEF OF THE OFFICE OF PERSONNEL FOR THE COAST GUARD. IT IS A PLEASURE TO APPEAR BEFORE THE SUBCOMMITTEE TO OFFER TESTIMONY ON THE EFFECT OF THE NEW GI BILL ON THE COAST GUARD.

THE COAST GUARD, AND OUR SISTER SERVICES IN THE DEPARTMENT OF DEFENSE, HAVE UTILIZED THE NEW GI BILL ENTHUSIASTICALLY FOR RECRUITS OF THE HIGHEST CALIBER.

APPROXIMATELY 50 PERCENT OF ACTIVE DUTY PERSONNEL ENTERING THE COAST GUARD SINCE 1 JULY 1985 HAVE ELECTED TO PARTICIPATE IN THE NEW GI BILL. OF THAT NUMBER, APPROXIMATELY 75 PERCENT HAVE INDICATED THAT THE AVAILABILITY OF THE NEW GI BILL WAS A MAJOR FACTOR, BUT NOT NECESSARILY THE MAJOR FACTOR, THAT ENCOURAGED THEM TO JOIN THE COAST GUARD.

THE MAJOR DIFFICULTY WE FORESEE IN THIS PROGRAM IS THE NUMBER OF INDIVIDUALS WHO, DESPITE HAVING THEIR PAY REDUCED FOR TWELVE MONTHS, FAILED TO MEET ONE OF THE ELIGIBILITY CRITERIA. WE WILL BE WORKING WITH THE DEPARTMENT OF DEFENSE TO ARRIVE AT A FAIR AND RESPONSIBLE REMEDY TO THIS SITUATION.

TRANSFERABILITY OF GI BILL BENEFITS TO FAMILY MEMBERS OF THE MILITARY MEMBER EARNING SUCH BENEFITS MIGHT BE A POPULAR ADDITIONAL FEATURE TO THE PROGRAM. HOWEVER, IT WOULD NOT SERVE AS A TARGETED INCENTIVE TO RETAIN SPECIFIC OCCUPATIONAL GROUPINGS THAT THE COAST GUARD NEEDS TO RETAIN. WE CONCUR WITH THE DEPARTMENT OF DEFENSE'S POSITION THAT IT IS PREMATURE TO DRAW UNEQUIVOCAL CONCLUSIONS REGARDING THE NEED FOR TRANSFERABILITY AND RECOMMEND THAT TRANSFERABILITY NOT BE ENACTED BY CONGRESS AT THIS TIME.

MR. CHAIRMAN, THIS CONCLUDES MY PREPARED STATEMENT. I WOULD BE HAPPY TO ANSWER ANY QUESTIONS.

DEMOCRATS
G.V. (SONNY) MONTGOMERY, MISSISSIPPI
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DOUGLAS APPLEGATE, OHIO
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TOMMY F. ROBINSON, ARKANSAS

MACK FLEMING
CHIEF COUNSEL AND STAFF DIRECTOR

NINETY-NINTH CONGRESS
G.V. (SONNY) MONTGOMERY
CHAIRMAN

U.S. House of Representatives
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GUY V. MOLINARI, NEW YORK
THOMAS J. RIDGE, PENNSYLVANIA
WILLIAM M. HENDON, NORTH CAROLINA
JOHN G. ROWLAND, CONNECTICUT

November 19, 1985

Honorable James C. Miller III
Director
Office of Management and Budget
Executive Office Building
Washington, D.C. 20503

Dear Mr. Miller:

As the Chairman of the Subcommittee on Education, Training and Employment of the Veterans' Affairs Committee, I want to express my grave concern regarding the interference of the Office of Management and Budget in the conduct of the oversight responsibilities of the Subcommittee.

The Subcommittee met this morning in order to review the implementation of the New GI Bill contained in Title VII of Public Law 98-525. Additionally, the Subcommitee requested the views of each branch of our Armed Forces regarding the current and future impact of the New GI Bill on their recruiting efforts. The information requested is absolutely necessary for the Subcommittee to meet its oversight responsibility and thoroughly evaluate this new educational assistance program.

I was appalled to learn that the Office of Management and Budget took the unwarranted action of pulling and altering statements that had been submitted to the Subcommittee. I particularly object to the revising of testimony prepared by the Army to exclude statistical information favorable to the New GI Bill.

On April 1, 1985, I expressed my concern regarding OMB interference with testimony presented by the Veterans Administration. The actions taken by OMB in connection with today's hearing are even more offensive. Although the Office of Management and Budget may believe it is within its rights to participate in the preparation of testimony regarding legislative and policy matters, this OMB position should not in any way apply to information requested regarding the oversight of programs which have been enacted into law. To strike portions of testimony which relate to the effectiveness of the New GI Bill is unthinkable.

Because the military services were unable to explain to the Committee why OMB required them to delete certain testimony, I am hereby requesting you or your representative to appear before the Subcommittee at a hearing on Thursday, November 21, 1985, at 10:00 a.m. in room 334 Cannon House Office Building. The purpose of this hearing is to further review the implementation of the New GI Bill. I want you to appear in order to explain to the Subcommittee why you consider it proper for the Office of Management and Budget to alter testimony which clearly addresses oversight issues.

Sincerely,

TOM DASCHLE
Chairman
Subcommittee on Education,
Training and Employment

TD:ek

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

NOV 21 1985

Honorable Thomas Daschle
Chairman
Subcommittee on Education, Training and Employment
Committee on Veterans Affairs
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

I am writing in response to your letter of November 19, 1985, regarding my Office's role in handling Department of Defense testimony before your Subcommittee on the New G.I. Bill.

The Office of Management and Budget is responsible for coordinating within the Executive branch the review of agencies' legislative proposals, reports, and testimony and to advise on their consistency with the Administration's position before they are submitted to Congress. These requirements for Executive branch legislative coordination and review are set forth in OMB Circular No. A-19. OMB also coordinates and clears testimony for selected oversight hearings if the policy issues being discussed necessarily involve or contemplate legislative action in their resolution.

Consistent with the above procedures, the Office of the Secretary of Defense (OSD) submitted for clearance a proposed report to Congress (as required by section 702(c) of Public Law 98-525) on the desirability and feasibility of allowing eligible personnel to transfer their benefits under the New G.I. Bill. In addition to the report, OSD submitted for clearance testimony from Lieutenant General Edgar A. Chavarrie for a November 19, 1985, hearing on the New G.I. Bill program. The report and testimony were circulated for review within OMB and to the Department of Transportation and the Veterans Administration. Based on this review, OMB cleared the testimony and report on November 14 and 15, respectively, without substantive changes to the positions taken in either the report or testimony.

As you know, your Subcommittee requested testimony from the Services as well as OSD. In keeping with the requirements of A-19, OSD submitted for clearance the statements from the Services. Any statements submitted to your Subcommittee prior to OMB's clearance was done without our knowledge or the approval of the Office of the Secretary of Defense. Each of the Services' statements were reviewed for consistency with Administration policy and cleared for submission to your Subcommittee. Major substantive revisions to the Services' statements were indeed recommended by my Office and accepted by the Services. In all cases, these changes were made solely to ensure consistency with OSD's report and testimony. No changes deleting statistical information were recommended by OMB to the Army's statement.

In summary, it is essential for Administration witnesses to present a coordinated position properly reflecting the President's policies -- anything less would be a disservice to the President and the Congress. I hope this letter explains OMB's responsibilities and role in reviewing the statements on the New G.I. Bill.

Sincerely yours,

James C. Miller III
Director

RECORD VERSION

STATEMENT BY

STAFF SERGEANT NATHAN R. WARNOCK

RECRUITING STATION COMMANDER

U. S. ARMY

BEFORE THE
SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT
COMMITTEE ON VETERANS' AFFAIRS

HOUSE OF REPRESENTATIVES

FIRST SESSION, 99TH CONGRESS

NEW GI BILL

19 NOVEMBER 1985

NOT FOR PUBLICATION
UNTIL RELEASED BY THE
HOUSE VETERANS' AFFAIRS
COMMITTEE

SSG NATHAN WARNOCK WAS BORN IN MACON, GEORGIA, IN 1956. HE JOINED THE ARMY IN OCTOBER 1975 AND SUCCESSFULLY COMPLETED BASIC TRAINING AND ADVANCED INDIVIDUAL TRAINING AT FORT GORDON, GEORGIA. PRIOR TO HIS ASSIGNMENT TO THE US ARMY RECRUITING COMMAND IN MARCH 1983, SSG WARNOCK WAS ASSIGNED TO SIGNAL BATTALIONS AT FORT LEWIS, WASHINGTON, AND FORT GORDON, GEORGIA. SSG WARNOCK EARNED AN ASSOCIATES DEGREE IN SOCIAL SCIENCE FROM GEORGIA MILITARY ACADEMY WHILE AT FORT GORDON. HIS FIRST RECRUITING ASSIGNMENT WAS AS A RECRUITER WITH THE CHICAGO RECRUITING BATTALION. HE CURRENTLY COMMANDS THE EAST 92d STREET STATION, CHICAGO, ILLINOIS. HE HAS BROUGHT HIS STATION FROM LAST PLACE TO THE TOP PERFORMING MEDIUM STATION IN THE CHICAGO BATTALION. HE WAS NAMED ROOKIE RECRUITER OF THE YEAR FOR 1983 AND RECRUITER OF THE YEAR FOR 1984. HE HAS ALSO RECEIVED THE CHIEF OF STAFF'S RECRUITING AWARD AND THE ARMY COMMENDATION MEDAL FOR RECRUITING ACHIEVEMENT.

FORCE MASTER CHIEF HOMER A JOHNSON, JR., USN

Master Chief Johnson, son of Mr. Homer A. Johnson, Sr. of Bossier City, Louisiana and Mrs. Mary V. Errington of McComb, Mississippi, was born 14 August 1946 in McComb, Mississippi. He enlisted in the Navy in January 1964 and graduated from "Boot Camp" at the Navy's Recruit Training Command, San Diego, California.

His assignments outside Recruiting Command include Naval Air Training Squadron THREE (VT-3), Commander, Naval Air Basic Training Command (Staff), Commander, Naval Forces Marianas (Staff), Commander, Destroyer Squadron TWENTY-TWO (Staff) embarked on USS AINSWORTH (FF-1090), USS BORDELON (DD-881) and USS CLAUDE V. RICKETTS (DDG-5), USS CANOPUS (AS-34) and USS BUTTE (AE-27).

Master Chief Johnson's recruiting experience include duties as a field recruiter at Navy Recruiting Station, Macon, Georgia from 1971 to 1973. He returned to sea duty until July 1976 when he reported to San Diego ENRO Class and was voted by his classmates as the student "Most Likely to Succeed". He was assigned as a recruiter at Navy Recruiting Station, El Dorado, Arkansas until being relocated as the Recruiter-in-Charge of a six-man Recruiting Station in Shreveport, Louisiana during February 1977. The following year his station was the "Recruiting Station of the Year" at Navy Recruiting District, Little Rock, Arkansas. In October 1978 he was promoted to a Zone Supervisor position and established a reputation as the best in his command. In November 1979, Master Chief Johnson was selected to be the Chief Recruiter at Navy Recruiting District, Oklahoma City, Oklahoma. Following the District's disestablishment in April 1981, he was selected to attend the U.S. Army Sergeant Major Academy in El Paso, Texas.

In January 1982, he returned to recruiting at Navy Recruiting District, Dallas, Texas and was selected to be the Command Master Chief of Navy Recruiting Area Seven in April 1982. He served in that position until his assignment as the Force Master Chief, Navy Recruiting Command in June 1985.

Master Chief Johnson is authorized the following decorations: Navy Commendation Medal (3 awards); Navy Unit Commendation; Meritorious Unit Commendation; Navy "E"; Navy Good Conduct Medal (5 awards); National Defense Medal; Armed Forces Expeditionary Medal; Vietnam Service Medal; Sea Service Ribbon and the Navy Expert Rifleman Ribbon. He has also been awarded 17 Gold Wreath Awards for Recruiting Excellence.

Master Chief Johnson is married to the former Jill Richards of Charleston, South Carolina. The Johnson's reside at Fort Belvoir, Virginia with their two children, Michelle (17) and Randy (14).

DEPARTMENT OF THE AIR FORCE

PRESENTATION TO

HOUSE COMMITTEE ON VETERANS' AFFAIRS

HOUSE OF REPRESENTATIVES

SUBCOMMITTEE ON EDUCATION, TRAINING, AND EMPLOYMENT

SUBJECT: OVERSIGHT HEARING TO REVIEW THE IMPLEMENTATION, ADMINISTRATION, AND STRUCTURE OF THE NEW GI BILL

STATEMENT OF: EDWARD D. FENDER, II
MASTER SERGEANT, USAF
RECRUITER

NOVEMBER 19, 1985

NOT FOR PUBLICATION UNTIL RELEASED
BY THE HOUSE COMMITTEE ON VETERANS' AFFAIRS
HOUSE OF REPRESENTATIVES

STATEMENT

MR CHAIRMAN, I AM MASTER SERGEANT DEAN FENDER AND IT IS A PRIVILEGE FOR ME TO BE PRESENT HERE TODAY FOR THIS HEARING ON THE NEW GI BILL. I CONSIDER IT AN HONOR TO BE THE AIR FORCE RECRUITING SERVICE'S REPRESENTATIVE.

I'VE BEEN IN THE AIR FORCE FOR THE PAST 12 YEARS. MY PRIMARY DUTY SPECIALTY IS SURGICAL SERVICE SPECIALIST. I'VE BEEN ON SPECIAL DUTY WITH AIR FORCE RECRUITING IN OMAHA, NEBRASKA THE PAST YEAR AND A HALF. DURING THAT TIME I'VE RECRUITED QUITE A FEW YOUNG MEN AND WOMEN FOR THE AIR FORCE. WE WERE GLAD TO RECEIVE THE NEW GI BILL EARLIER THIS YEAR AND I HAVE BEEN ABLE TO USE IT ALONG WITH OTHER AVAILABLE ENLISTMENT INCENTIVES AND OPTIONS IN ACHIEVING MY OBJECTIVES. I'LL BE GLAD TO TRY TO ANSWER ANY QUESTIONS THE COMMITTEE MAY HAVE ABOUT HOW WE DO IT IN THE AIR FORCE. THANK YOU.

BIOGRAPHY OF
STAFF SERGEANT JOHN PARSONS III 145 40 4365/8411 USMC

Staff Sergeant John Parsons III enlisted in the Marine Corps in April 1965. After graduating from boot camp as an infantryman, he went to the Republic of Vietnam for combat duty. He was assigned to Company "G", 2nd Battalion, 7th Marines, 1st Marine Division. Between 1967 and 1968, SSgt Parsons participated in nine separate operations against enemy forces.

In 1969 SSgt Parsons was released from active duty and assigned to the Marine Corps Reserves. While in the Reserves, he completed 49 semester hours of work at Burlington County (NJ) Community College. In 1978 he reenlisted in the Regular Marines and reported to 2nd Reconnaissance Battalion, 2nd Marine Division, Camp Lejeune, North Carolina. In September 1978 he was meritoriously promoted to Corporal, and in April 1979 was meritoriously promoted to Sergeant.

While assigned to 2nd Reconnaissance Battalion, SSgt Parsons became jump qualified, achieved honor graduate at the SCUBA school, and was also an honor graduate of the Marine Corps Staff Non-Commissioned Officer Academy. In 1981 SSgt Parsons was transferred to 2nd Force Reconnaissance Company, Camp Lejeune, N.C., where he participated in numerous Joint Service operations in Europe and Puerto Rico. In 1982 he was promoted to his present rank.

In August 1984, after graduation from Recruiters School, SSgt Parsons reported to the 4th Marine Corps District as a canvassing recruiter. He is currently the Non-Commissioned Officer-in-Charge of Recruiting Substation Trenton, New Jersey. His station was recently recognized as Recruiting Station Philadelphia's FY85, Most Improved Substation, and Quality Substation. In November 1985, SSgt Parson was nominated for meritorious promotion to Gunnery Sergeant.

SSgt Parsons' personal decorations include the Navy Achievement Medal, Combat Action Ribbon, Presidential Unit Citation, Vietnam Service Medal with four Bronze Stars, and the Republic of Vietnam Meritorious Unit Citation.

SSgt Parsons and his wife, the former Revel Capewell, have two children and currently reside in Merchantville, New Jersey.

AOPA
AIRCRAFT OWNERS AND PILOTS ASSOCIATION
421 Aviation Way Frederick MD 21701 TEL 301 695-2000 TELEX 89 3445

STATEMENT OF JOHN J. SHEEHAN, SENIOR VICE PRESIDENT

GOVERNMENT AND TECHNICAL AFFAIRS DIVISION

AIRCRAFT OWNERS AND PILOTS ASSOCIATION

COMMITTEE ON VETERANS' AFFAIRS

SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT

HONORABLE THOMAS A. DASCHLE, CHAIRMAN

U. S. HOUSE OF REPRESENTATIVES

TUESDAY, NOVEMBER 19, 1985

REGARDING VETERANS' EDUCATIONAL BENEFITS

Mr. Chairman:

I am John J. Sheehan, senior vice president of government and technical affairs for Aircraft Owners and Pilots Association (AOPA). AOPA represents the aviation interests of 265,000 members who own and operate general aviation aircraft for business and personal reasons. We are quite concerned with the well-being and future of the general aviation community.

AOPA strongly believes that as long as the federal government provides for educational assistance to veterans to restore lost educational opportunities for those whose careers have been interrupted by military service and to assist them in attaining the educational and vocational status that they would have achieved but for such service, the option of flight training should be among those educational courses permitted. To single out flight training as being unworthy of educational support is unfair and inequitable. In spite of occasional abuses of this program, we are aware of no substantive evidence that the level of abuses in flight training exceeded those of other educational options available to the veteran.

In the past, the General Accounting Office (GAO) and the Veterans' Administration have alleged that flight training programs have not met the objective of providing substantial employment for those trained and that many individuals have used these programs primarily for recreational, avocational purposes. These allegations become specious and without merit once their findings are placed in proper perspective.

In 1979, GAO found only that sixteen percent of flight trainees under the program had full-time jobs directly related to this training. Their criteria for measuring this occupational and training match was far too narrow. They considered that only people listing occupations such as flight instructor or airline pilot be considered as involved in an occupation that related directly to the training. By analogy, this would be the same as saying a person who received a Masters in Business Administration degree was not properly trained for an occupation as a college professor or association representative.

Flight training offers unique alternatives to veteran graduates. Salesmen, ranchers, architects, insurance representatives, doctors and those engaged in numerous other occupations find airplanes valuable and, often, one of the most important tools in their businesses or professions. Consequently, individuals may not be "professionally" engaged in the business of commercial flying; however, the necessary ancillary use of flight training has been recognized as a valuable "support" tool for a wide variety of professions.

By way of personal example, I regularly list my occupation as association representative, although I have an M.B.A. degree and several advanced pilot certificates and ratings under the G.I. Bill. Both courses of instruction have prepared me well for my current job.

In 1978, the Veterans' Administration reported that graduates of flight training programs were quick to accept very limited, part-time employment for the purpose of receiving free or reduced-rate flying rather than for full-time employment as professional pilots. What was not said in this appraisal was that in order to secure a professional pilot's job that pays a living wage, several thousand flight hours must be logged to demonstrate an adequate experience level required to safely carry passengers or cargo for hire. In order to gain this experience, most fledgling pilots take jobs as part-time flight instructors or as nighttime or weekend cargo pilots flying small aircraft. This allows the aspiring corporate or airline pilot to gain the necessary level of experience required by airlines and corporate flight departments, while holding another job that pays a living wage.

Only two percent, or approximately 170,000, of the more than eight million veterans receiving educational benefits over the last 17 years have been involved in flight training. First, this is a very small percentage of the total. Second, by eliminating the eligibility of flight training for veterans' educational benefits, the entire two percent was accused of abuses. Clearly, this was not the case. I am confident that quite a high percentage of the veterans who received flight training under the G.I. Bill are an integral part of our working pilot population today.

From an even broader perspective, the United States desperately needs to train commercially qualified pilots to fill a growing demand for professional pilot services. Pilot population statistics over the past fifteen years make the goal of providing an adequate number of professional pilots seem unattainable, however. Student pilot starts have dropped 30%; commercial pilot certificates issued have dropped 58%; and instrument rating issuances have dropped 49%. This, coupled with the fact that there has been an 11% rise in average commercial pilot ages over this period (now 42.6 years), make it doubtful that we will attain our goal for required professional pilots by the year 1995.

Burgeoning airline, corporate aviation and utility pilot needs in the United States must viewed as a part of the nation's transportation system requirements. If these needs are not met, the nation's economic and commercial growth and well-being surely will suffer, for it is air transportation in all its forms that has been one of the principal facilitating factors in America's growth.

The lure of an airline or corporate flying job is not as great as it once was. The initial investment to become eligible for these highly technical jobs is becoming too great. A candidate for veterans' flight training benefits must first obtain a private pilot certificate using his own resources, a task currently valued at around $3,500. The training to become a commercial pilot may easily exceed $10,000 and, to receive an instrument rating, approximately $3,500. Since these qualifications are the bare minimum to qualify for even the entry-level piloting job, only the well-heeled can possibly afford this. When the G.I. Bill was underwriting 90% of this, an aspiring pilot could handle the capital investment much more easily.

Training to become a professional pilot requires a unique and complicated form of education, one which few people are likely to understand or appreciate, but the payoff in terms of adequate numbers of well trained professional pilots for the nation's air transportation system in the years to come is certainly great enough to warrant the resumption of this critical form of training within veterans' educational benefits. I urge you to reinstate the flight training provisions of the Veterans' Educational Assistance Act.

I appreciate this opportunity to present the views of AOPA before this Committee.

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STATEMENT

OF

GLENIS L. HARRELL
PRESIDENT
HARRELL CONSTRUCTION COMPANY

ON THE

"VETERANS' IMPROVEMENT ACT OF 1984"

BEFORE THE

HOUSE VETERANS' AFFAIRS COMMITTEE

SUBCOMMITTEE ON EDUCATION, TRAINING
AND EMPLOYMENT

U.S. HOUSE OF REPRESENTATIVES

CHAIRMAN
THOMAS A. DASCHLE

NOVEMBER 19, 1985

Good day Mr. Chairman and distinguished members of the Subcommittee. My name is Glenis L. Harrell. I am President of the Harrell Construction Company in Jacksonville, Florida and am President-Elect of the Northeast Florida Builders Association. I am pleased to present a statement on behalf of the Home Builders Institute, the educational arm of the National Association of Home Builders.

The Home Builders Institute administers hundreds of apprenticeship and on-the-job training programs throughout the United States. These programs help provide the 135,000 members of the National Association of Home Builders with the skilled construction workers necessary to build our nation's homes.

Apprenticeship and on-the-job programs are absolutely vital to our industry. As you may know, the nature of the construction industry is such that skills are best acquired and refined when obtained on an actual worksite under the close supervision of experienced craftsmen. This is precisely what our apprenticeship programs accomplish. Through apprenticeship programs, we establish a two-way street that is advantageous to the employer as well as the apprentice. The employer trains and thereby

APPRENTICE EMBARKS UPON A CAREER PATH WITH ABUNDANT OPPORTUNITY FOR ADVANCEMENT. THIS MEANS THAT THE HOUSING INDUSTRY OVERALL INCREASES THE TECHNICAL AND MANAGERIAL SKILL LEVEL OF ITS WORKERS WHICH IN TURN RESULTS IN A BETTER AND MORE AFFORDABLE PRODUCT FOR ALL AMERICANS.

MR. CHAIRMAN, IN NO CASE COULD THIS SCENARIO BE REALIZED WITHOUT APPRENTICESHIP TRAINING AND THE OPPORTUNITY IT AFFORDS THOUSANDS OF INDIVIDUALS. SPEAKING SPECIFICALLY, VETERANS ARE PARTICULARLY SUITED TO APPRENTICESHIP TRAINING BECAUSE THEY HAVE A STRONG WORK ETHIC OBTAINED IN THE MILITARY, MANY HAVE TRANSFERABLE OCCUPATIONAL SKILLS, AND MOST ARE OLDER INDIVIDUALS WHO ARE READY TO MAKE A FIRM CAREER COMMITMENT.

FOR THESE REASONS, WE WERE ALARMED TO DISCOVER THAT THE NEW GI BILL CONTAINED A SERIOUS, BUT, PERHAPS, UNINTENTIONAL OMISSION. THE LAW PROVIDES BENEFITS TO VETERANS WHO ENROLL IN SCHOOL TRAINING ONLY. THOUSANDS OF DESERVING VETERANS WHO CHOOSE TO PURSUE A CONSTRUCTION CAREER THROUGH APPRENTICESHIP AND ON-THE-JOB TRAINING PROGRAMS ARE DENIED EDUCATIONAL COMPENSATION.

THIS IS A PROBLEM OF EQUITY AND ECONOMICS. VETERANS DESERVE THE OPPORTUNITY TO FREELY CHOOSE AN APPROPRIATE EDUCATIONAL PATH. THE WAY THE GI BILL IS CURRENTLY STRUCTURED, HOWEVER, MEANS THAT VETERANS ARE PENALIZED IF THEY CHOOSE ANYTHING BUT A TRADITIONAL ACADEMIC INSTITUTION. THIS IS AN UNFORTUNATE SITUATION. IN MANY CASES VETERANS HAVE FAMILIES AND CANNOT AFFORD THE TIME OR MONEY ASSOCIATED WITH A FULL-TIME ACADEMIC PROGRAM. IN OTHER CASES, VETERANS ARE NOT INTERESTED IN TRADITIONAL ACADEMICS, BUT INSTEAD WANT SUPERVISED, HANDS-ON TRAINING RELATED TO THEIR CAREER GOALS. REGARDLESS OF MOTIVATION, IT IS CLEAR THAT VETERANS WILL BE PENALIZED FINANCIALLY BY THE VETERANS' ADMINISTRATION AND THE NEW GI BILL IF THEY DO NOT ENROLL IN ACADEMIC PROGRAMS.

IN ADDITION TO THE EQUITY FACTOR, A STRONG CASE FOR THE INCLUSION OF PAYMENTS FOR APPRENTICESHIP AND ON-THE-JOB TRAINING PROGRAMS CAN BE MADE ON A PURELY ECONOMIC LEVEL. THE INVESTMENT OF TAX DOLLARS TO DEFRAY THE COST OF APPRENTICESHIP AND ON-THE-JOB TRAINING PROGRAMS IS COST-EFFECTIVE. BENEFIT ALLOWANCES FOR APPRENTICES PROGRESSIVELY DECREASE AS THEIR EARNINGS INCREASE. THIS IS NOT THE CASE FOR BENEFITS ALLOTTED FOR SCHOOL PROGRAMS.

To illustrate the point, the following example may be studied. Under the old "GI bill" a Veteran with no dependents received $274 a month for the first six months of on-the-job or apprenticeship training. This amount decreased significantly every six months. By the end of two years in an apprenticeship program, the Vet would only be taking home a $68 paycheck from the Veterans Administration. But I can assure you Mr. Chairman that even this modest amount was very important to the Veterans in our programs. These individuals always filed their time cards promptly because they definitely needed the educational compensation to stay in the program.

When compared to the cost of supporting a traditional full-time, college degree program, the savings to the taxpayer are enormous. On average, the Veterans' Administration will pay out $9,024 in constant educational assistance to an individual enrolled in a college program over two years but will expend only $4,098 to an individual in an apprenticeship program over two years.

In short, Mr. Chairman and members, please take a closer look at this issue. The Senate Veterans' Affairs Committee has restored this vital provision as part of

THEIR WORK ON THE VETERAN COMPENSATION AND BENEFITS IMPROVEMENT ACT OF 1985. I ASK YOU TO SUPPORT THIS ACTION. WE NEED YOUR HELP TO INSURE THAT DESERVING VETERANS ARE NOT DISSUADED FROM ENTERING APPRENTICESHIP AND ON-THE-JOB TRAINING PROGRAMS BECAUSE VA BENEFITS ARE NOT EQUITABLY AVAILABLE. I URGE YOU TO REINSTATE THE PAYMENT OF EDUCATIONAL BENEFITS TO VETERANS ENROLLED IN APPRENTICESHIP AND ON-THE-JOB TRAINING PROGRAMS. THANK YOU VERY MUCH.

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November 15, 1985

Congressman Tom Daschle
Room 2455
Rayburn Office Building
Washington, D. C. 20515

Dear Congressman Daschle:

I am writing in regards to the flight training that was deleted from the G.I. Bill.

We were very disappointed when this took place. The people who took flight training at Professional Flight Services were spending somewhat less than $10,000 to get their Commercial, Instrument, and Certified Flight Instructor and Instrument Instructor ratings. They were completing the courses in approximately 6 to 12 months and were back on the job market as Certified Flight Instructors making from $1500 to $2000 and more per month and are paying income tax on same. Show us where the G.I. Bill is getting any better job done or even coming close to recovering the money as soon as on the flight program.

When you realize the fact that these people had to pay $3000 for their Private Pilot's License to qualify for the flight training program on the G.I. Bill, THEY HAVE PAID their entrance fee (or points or whatever terminology anybody wants to hide this unfair and discriminatory practice under). We believe the G.I. who would like a career in aviation should not be denied his training on a G.I. BILL. It is our understanding that all G.I.'s do not have such a stipulation on other courses.

The airlines have completely depleted the pilots available to General Aviation, and WE NEED THE G.I. BILL RESTORED to the program. We therefore, suggest there is great need to restore flight trainiing to the G.I. Bill.

Sincerely,

H L Hybertson

H. L. Hybertson
Chief Pilot/Owner

HLH:amh

National Association of Veterans Program Administrators

NAVPA

TESTIMONY BEFORE THE
CONGRESSIONAL SUBCOMMITTEE ON EDUCATION, TRAINING, AND EMPLOYMENT

November 19, 1985

To the Honorable Congressman Thomas Daschle, Chairman,
and Distinguished Members of the Subcommittee:

I am Dr. Edward C. Keiser, past president of the National Association of Veterans Program Administrators (NAVPA). With me is Ms. Bertie Rowland, the newly-elected president of NAVPA. We are most grateful for this opportunity to share with you our thoughts, experiences, and concerns regarding the recently enacted G.I. Bills, Chapter 106 and Chapter 30, as well as the old G.I. Bills, Chapter 34 and Chapter 32.

NAVPA is composed of representatives of colleges and universities who are responsible for administering campus-based veteran programs and certification of veteran students for G.I. Bill benefits. We represent individuals who are on the front line, serving all G.I. Bill recipients and working with veterans in submitting all required paperwork. Our members are also charged by their institutions and the Veterans Administration with certifying and monitoring the academic status of students receiving G.I. Bill benefits, and we are the people who assist veterans in coping with the complexities of V.A. regulations, delayed benefit payments, and the frustrations encountered in dealing with the V.A. bureaucracy.

Our testimony today is presented in three segments: A) the new Chapter 106 and Chapter 30; B) problems and concerns of colleges and universities under current G.I. Bill legislation and V.A. regulation; and C) proposals that would facilitate the implementation of a more contructive, cost-effective relationship between and among veterans, the V.A., and colleges and universities.

A) First, as educators we applaud the Congress for enacting Chapter 106 and Chapter 30, and make the following recommendations regarding their implementation:

1) Chapter 106, the Active Reservists bill, encourages the recruitment and retention of qualified and capable personnel. At NAVPA's recent national conference, we were gratified to note the number of of reservists who have already taken advantage of this opportunity. Ms. Rowland has recently received several letters in response to a NAVPA survey indicating that a significant number of institutions (for example, the University of Cincinnati) already have between 50 and 75 participants enrolled under Chapter 106. However, two factors have apparently limited active reservists' enrollment. First, accurate information regarding Chapter 106 has not filtered out to

all Guard or Reserve units, and second, appropriate forms have not been readily available to many units. At the University of Cincinnati, we obtained the necessary information and forms, and reproduced multiple copies for students to take to their respective units. Increased cooperation between the V.A. and the Department of Defense should rectify this situation.

We urge your consideration of two changes in the current Chapter 106 legislation:

a) We propose that reservists be allowed to attend college on a less-than-half-time basis, and that they be reimbursed costs of instructional fees and tuition consistent with past G.I. Bills. A profile of the typical reservist might include his or her being married, working full time, buying and maintaining a house, raising one or two children, and doing monthly Guard or Reserve duty. Attending college half-time or more may simply not be feasible for such individuals.

b) Information available to us indicates that approximately 20% of Active Reservists have already earned a Bachelor's Degree. These individuals are among the better trained and qualified personnel, and allowing them to participate in Chapter 106 by taking graduate study would enhance and encourage their retention.

2) Since all branches of the military are meeting their personnel needs at present, the potential impact of Chapter 30 is clear. We acknowledge that Chapter 30 veterans will not begin to appear at institutions of higher education before 1987, and that their full impact will not, in all likelihood, be felt before 1988. Nonetheless, we are concerned that the V.A. has drafted regulations that will, if not modified, adversely affect veterans, colleges and universities, and the V.A.

   a) One such proposed regulation calls for month-by-month certification of veteran students for Chapter 30 benefits. The current law requires that veteran students be certified "after the period," which the proposed V.A. regulation interprets as requiring monthly certification. Unless changed, this regulation will require that colleges and universities institute procedures for taking daily attendance. While V.A.

representatives have indicated that they do not intend to interfere in the academic prerogatives of colleges and universities, implementation of this proposed regulation would amount to federal intrusion into the institutional integrity and autonomy of the higher education community. We have been assured that it is not Congress's intention to imposed the taking of attendance on colleges and universities, and that changes will be made in the current law to preclude this requirement. We support such legislative measures as regards Chapter 30, in light of the negative effect of past and current V.A. regulations which have imposed policies and procedures on colleges and universities, not only violating institutional integrity but imposing significant cost burdens on institutions' resources.

b) Under the current Chapter 30 legislation, new recruits have only two weeks in which to make the binding decision whether or not to participate in the program. NAVPA recommends that an extension of this time limitation be allowed.

c) The $100 per month deduction for 12 months is not refundable to the veteran under the current law. We propose that individuals be allowed the option of withdrawing their first $1200 contribution, with the understanding that in so doing they forfeit the much larger potential educational benefit of $10,800.

d) We urge that current programs under the old G.I. Bill, including the provision for advance pay and the V.A. Work-Study Program, be extended to Chapter 30 participants. These programs have proved very cost-effective and beneficial to veterans, the V.A., and institutions of higher education.

B) The second major area of our presentation addresses problems and concerns of the current G.I. Bills, Chapter 34 and Chapter 32. The documents contained in Appendix A provide necessary background and detail regarding the concerns that I will briefly address today.

1) In February 1985, the V.A. indicated that educational overpayments amounted to $525 million. The higher education community has unfortunately been perceived as the culprit in this grave situation. The figure of $525 million includes $191.8 million that was reactivated by the V.A. in June, 1982, from past accounts

that had been written off; a more realistic current figure would be $333 million. As of June, 1985, the V.A. had alleged institutional liability in the amount of $7,169,541. Of this amount, $941,722 was not upheld by the V.A., leaving a total potential liability of $6,227,790. If this amount were determinted by the V.A. to be institutional responsibility (which is unlikely), the amount would constitute less than 2% (1.86%) of the adjusted $333 million in overpayments; as a percentage of the larger estimate of $525 million, the alleged institutional responsibility would be 1.18%. The contention that the higher education community has been the culprit in the overpayment problem has legitimized the V.A.'s imposition of more and more restrictive regulations which have impacted negatively on veterans and on institutions of higher education. One specific example is the V.A.'s proposal last year for term-by-term certification. In response to the proposal, the V.A. received 350 letters opposing implementation of term-by-term certification--the most ever sent on a proposed regulation. The V.A. Administrator's

Advisory Committee appointed a subcommittee to research the proposed regulation; the subcommittee and subsequently the Advisory Committee recommended against implementation because of the negative effects the regulation would have on veterans, colleges and universities, and the V.A. itself. The Administrator has recently requested that the Advisory Committee reexamine the proposal and make recommendations on how term-by-term certification may be implemented. This proposal, if implemented, will require a 200-300% increase in institutional certification efforts and a similar increase in V.A. paperwork; it will also cause delays in the payment of benefits to veterans.

2) A second issue is the definition of academic pursuit, which is currently interpreted by the V.A. as attendance in classes. While current law specifies that the V.A. cannot require institutions of higher education to maintain daily attendance records, current regulations mandate that an institution must have a reporting system that is capable of determining the last date of pursuit and reporting that date within 30 days of the event. As a result, most institutions are vulnerable to charges of discrepancies in reporting

and, thus, institutional liability.

We recommend that pursuit be defined as the date that a grade or grades are officially recorded as dictated by the policies of the institution. Institutions do not measure collegiate credit hours by attendance, but rather by competent completion of the requirements of the course. It is inappropriate for the V.A. to dictate the grading system and policies of institutions of higher education. Further, it is discriminatory to require institutions to implement pursuit and attendance procedures for veterans only. We firmly believe that institutions of higher education do act in a responsible and prudent manner and are capable of reporting, within 30 days of their knowledge of the event, the date when a grade is officially recorded by the institution.

3) A third general concern is the issue of seat time and standard class sessions. Regulations allow the V.A. to measure courses for payment based on two principles. The first standard of measurement is the number of credit hours awarded. Seat time refers to the number of minutes of instruction per

class session. Standard class sessions refers to the number of class sessions held per week. When these diverse measurements are applied to the same course, inconsistent ratings result, affecting the rate of payment of benefits. These measurements are applied primarily to non-standard or accelerated terms. Certification of seat time and standard class sessions requires tremendous commitment of time and money both for colleges and universities and for the V.A. Payment of benefits based on the number of credit hours on a standard term principle would be cost-effective and would eliminate much paperwork. College credits earned in accelerated terms apply equally to degree requirements, and all programs and courses offered by colleges and universities are approved by their respective state Departments of Education, by national accrediting agencies, and by the State Approving Agencies funded by the V.A. The calculation of seat time and standard class sessions by the V.A. represents secondary and tertiary approval. The end result is duplication of regulatory control.

C) Finally, NAVPA submits the following proposals for your consideration:

1) In 1984, we celebrated the fortieth anniversary of the G.I. Bill, which without question has been and continues to be the most significant and constructive educational program in this nation, affording millions of men and women access to higher education. An educated population has made this nation strong. Enactment of Chapter 106 and Chapter 30 provides the opportunity to update regulations and make a fresh start. I recently received notification from the V.A. of the 225th change to the old regulations. Several bills, for example S1207 and S1788, are currently under consideration. Usually, each new bill passed requires many changes in the regulations.

NAVPA supports the development of an Omnibus Bill, which would provide a new start by focusing all related concerns in a comprehensive, integrated package. S1788 provides for the appointment of a commission composed of representatives from Congress, the V.A., national educational associations, and institutions of higher education. The commission's purpose would be to study ways and means of improving the

the administration and cost-effectiveness of veterans' programs. NAVPA supports the establishment of a blue ribbon commission to study ways and means of improving service to veterans in a cost-effective manner. We hope that such a bill or commission might recommend, for example, discontinuing the requirement for completion of V.A. form 22-6553, pursuit cards, which require certifying officials to duplicate the information already submitted to the V.A. This procedure was established when V.A. Vet Reps were assigned to campuses. It is costly, requiring institutions and the V.A. to commit staff, computer time, and postage.

2) We recommend that constructive action be taken to resolve the issue of institutional liability. Not only is there a need to have a clear picture of the cause of overpayments, but also a determination of who is responsible, where the blame lies, and who should be held accountable. The veteran receives the money and should also be held accountable for any overpayment to him. If an institution engages in willful negligence or deliberate fraud, prompt and vigorous action by the V.A. against such a college or university should be taken. As indicated previously,

alleged institutional liability represents less than 2% of the overpayment total, and this 2% results primarily from the V.A.'s definition of pursuit. Colleges and universities which have not implemented a policy of checking veterans' attendance are vulnerable to charges of institutional liability. The issue is not the 30-day reporting requirement but the definition of pursuit. It is reasonable to report within 30 days (which, by the way, includes mailing time) from the point one has knowledge of the event.

Mr. Chairman, we deeply appreciate the opportunity to appear before this distinguished subcommittee to share our concerns. Our purpose is to make educational services as fruitful as possible for the college students receiving G.I. Bill benefits. We believe that enactment of Chapter 106 and Chapter 30 provides the opportunity and incentive to constructively establish new regulations consistent with the current status of higher education in our technological society.

Respectfully submitted,

Edward C. Keiser, Ed.D.
Past president, NAVPA

ECK:DR
Attachment: Appendix A

ACCT
Joint Commission
On Federal Relations

June 28, 1985

The Honorable G.V. (Sonny) Montgomery
U.S. House of Representatives
2184 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Montgomery:

Elaborating on my recent visits with you about the Veterans Administration's over-regulation of colleges, we express again the hope that the VA will look upon the New GI Bill as the opportunity to start with a clean slate and completely revamp and simplify the regulations governing veterans' educational benefits.

The need for such an overhaul is graphically illustrated by the specific issues that our colleges face in coping with the burdens of excessive VA paperwork. Let us try to prioritize these issues in terms of their impact on the participating educational systems:

I. Issue: Academic Pursuit

Definition Problem: Academic pursuit is currently interpreted by VA as attendance in classes. While current law specifies that VA cannot require Institutions of Higher Learning (IHLs) to maintain daily attendance records, current regulations mandate that an institution must have a reporting system that has the capability of determining the last date of pursuit and reporting that date within 30 days from the event. As a result, most IHLs are vulnerable to charges of discrepancies in reporting and, thus, institutional liability.

Recommendation: We recommend that the pursuit be defined as the date that a grade or grades are officially recorded as dictated by the policies of the institution.

Rationale: Institutions do not measure collegiate credit hours as attendance, but rather as competent completion of the requirements of the course. It is inappropriate for the VA to dictate the grading system and policies for IHLs. Further, it is discriminating to require ILHs to implement pursuit and, attendance procedures for Veterans only.

We firmly believe that the IHLs do act in a responsible and prudent manner and have the capability of reporting, within 30 days of their knowledge of the event, the date when a grade is officially recorded by the institution.

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II. Issue: Grades/Courses for Credit.

Problem: Payment of the GI Bill benefits for courses that are not included in the calculation of grade point average (GPA) contributes to inappropriate use or, in some cases, abuse of the purpose and intent of the GI Bill.

Recommendation: GI Bill benefits be paid for courses that carry credit hours, qualify points, and are calculated as part of the student's cumulative average.

Rationale: GI Bill benefits should be paid only to those eligible participants who are admitted, matriculated, and carry courses that count towards their educational objective. This principle is consistent with the requirements of the Pell Grant program and other financial aid programs. Further, it is reasonable to expect and require veterans to take and complete courses that count in their program and GPA.

III. Issue: Seat time and standard class sessions.

Problem: The regulations allow the VA to measure courses for payment based on two additional principles. The first standard of measurement is the number of credit hours awarded. Seat time refers to the number of minutes of instruction per class session. Standard class sessions refers to the number of sessions held per week. When these three diverse measurements are applied to the same course, inconsistent ratings result. That inconsistency affects the rate of payment of benefits.

Recommendation: Eliminate seat time and standard class sessions computation. Pay benefits based on the number of credit hours per term.

Rationale: All programs and courses offered by IHLs are approved by their respective State Departments of Education. Additionally, State Approving Agencies, funded by the VA, then approve the same programs and courses for the training of veterans. The application of seat time and standard class sessions calculations by the VA is a secondary and tertiary approval. The end result is a duplication of regulatory control which culminates in conflicting rates of payment.

IV. Issue: Term-by-Term certification.

Problem: Term-by-term certification increases institutional and VA paperwork load and will not significantly reduce overpayments.

Recommendation: Eliminate the concept of term-by-term certification. If the Inspector General's Office is insistent on term-by-term certification, allow institutions to submit continuous enrollment for the academic year. Students who pre-register or sign a statement of intent to register the subsequent quarter would remain certified.

Veterans or eligible dependents who do not pre-register or sign a letter of intent to register would be terminated at the end of the term; e.g., by the 10th day of the month of the last month of the term.

V. Issue: Reporting fee.

Problem: The current administrative reporting fee is grossly inadequate.

Recommendations: Increase the reporting fee to $20 per benefit recipient certified. If the VA insists on month-by-month or term-by-term certification, an additional fee of $5 per required certification should be mandated.

Rationale: Relate the administrative fee to the VA required certifications. This principle would force the VA to pay for their required certifications. Currently NCD certifications are required on a monthly basis. The VA should either do away with monthly certification or pay reasonable fees to the institutions to cover the added cost and paperwork requirement.

VI. Issue: VA Work-Study Program.

Problem: Currently the VA Work-Study Program applies to Chapter 31 and Chapter 34 veterans. The number of eligible and interested veterans is declining.

Recommendation: Continue and expand the VA Work-Study Program to include veterans under Chapters 32, 35, 30 and 106. Institutions, the VA, and veterans have greatly benefited from this program.

VII. Issue: Month-by-month certification for NCD programs.

Problem: The current requirement to certify attendance for NCD programs on a month-by-month basis is time consuming and costly.

Recommendation: Eliminate month-by-month certification of NCD programs and certify on the appropriate and approved term basis.

Rationale: This would reduce the paperwork load for both the institution and the VA. Veterans in the programs would be paid in a more timely fashion.

VIII. Issue: Advance Pay.

Problem: Advance pay program is not included in Chapters 30 or 106.

Recommendation: Continue advance pay program as currently defined.

Rationale: Advance pay allows students to get started in school. This mode of payment is an established principle of all other existing VA Education Benefit Programs.

The difficulty that an individual institution faces in dealing with these specific issues, where they arise, is often magnified by the federal power that the VA wields. It often takes the form of isolation and intimidation for the institution. The VA with unlimited resources, both personnel and time backed by law and regulations, sits as prosecutor, jury and judge in cases against institutions. The development of the regulations and the inconsistent interpretation from region to region of the regulations places institutions in a very vulnerable position. While there exists no argument that institutions must report veterans' status and change of status, there exists no concensus as to what constitutes "pursuit" and what constitutes the "event" while attempting to report "30 days from the event."

Institutions find themselves in conditions of isolation for two reasons. First, when charged with liability they do not wish to publicize the difficulty; and second, they lack resources to develop a network for sharing information and strategies. I have been contacted by a number of school attorneys who are seeking information (most have no appreciation of the complexities of VA regulations) and have provided them with the names of other school attorneys who have had experience with the VA on liability issues.

At the April 18, 1985 meeting of the Veterans Administration Administrator's Advisory Commitee, Lew Dollarhide (Director, Education Service, Va) recommended that a cost-effective study be done with regard to school liability. He indicated that it appeared that the pursuit of school liability was not cost effective and that the process creates significant problems between the IHLs and the VA Regional Offices. He asked that the Committee recommend to the VA Administrator that this study be done.

Cost is another major factor. Do you pay lawyers $50,000 to defend your institution against liability of $50,000? Most institutions will forego principle when they can negotiate a reduced settlement. Most institutions carry liability insurance and thus real dollar costs can be held to a reasonable amount. The VA uses this effectively in negotiating settlements with institutions, particularly when the VA has the intimidating power of expanding the liability issue by doing a 100% compliance survey or going back to check records from the past three years. Hence institutions understandably often find it cost effective simply to take negotiated settlements. The actual court cases, e.g., U.S. v. Reinhard College, do not deal with the real issues that are causing the liability problem.

We believe that the vast majority of schools certify in a responsible manner. If it is determined that deliberate negligence or fraud is involved in certification of veterans, we support the VA's prompt and focused action to deal with the offending institution.

The pattern of cases clearly shows that the VA follows the "deep pocket theory": go after the institution — one action -- rather than individual veterans. The veteran is thus relieved of his/her responsibility to the VA and the school. Since the the veteran receives the benefits directly, it should be his/her primary responsibility to keep the institution and the VA informed of status. The VA has effectively used the overpayment problem, caused in great measure by VA regulations, to present higher education as the culprit. Educational overpayments are currently cited at $500 million, while actual charges of institutional liability run approximately $5 million.

Focusing blame on higher education has diverted the responsibility away from the VA. As a result, we continue to get more and more over-regulations without focusing attention on the causes of the problems.

Taken as a whole, the VA's interventions in academic policy amount to a federal intrusion into institutional autonomy that the higher education community likely would not tolerate in its relationships with any other federal agency. Unquestionably it is their keen desire to see the nation's veterans realize their educational and career ambitions that prompts them to "live with" the excessive and intrusive regulations.

We deeply appreciate the constructive light in which you listened to our concerns. Our whole purpose in sharing them with you in such detail is to make educational services as fruitful as possible for the college students receiving GI benefits.

Along with the National Association of Veterans Program Administrators (NAVPA), the Associations listed below have also asked to be associated with these views: American Council on Education, American Association of State Colleges and Universities, National Association of College and University Business Officers, National Association of State Universities and Land-Grant Colleges.

Sincerely,

Frank Mensel

Frank Mensel
Director of Federal Relations, ACCT
Vice President for Federal Relations, AACJC

FM:bw

cc: Charles Saunders
ACE

National Association of Veterans Program Administrators

N
A
V
P
A

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REPORT OF THE PRESIDENT FOR THE EXECUTIVE COMMITTEE
1984-1985

October 22, 1985

Dear Colleagues:

This past year has been very busy and productive for our organization. I wish to express my deep appreciation to Suzanne Goodwin, Lynn Denzin, Deborah Conrad, and Sheryl Roseberry for their commitment, hard work, and diligence. Without their support, the accomplishments of this year would not have been possible. I extend special thanks for Lynn's super effort in taking over the vice-presidency upon Suzanne's resignation. I wish to express my thanks and appreciation to all the Board members who have given of their time to make NAVPA a strong and effective voice in Washington, articulating the issues and concerns of G.I. Bill recipients who attend our colleges and universities. All this has been possible because of the dedication and support of our committed NAVPA membership.

Following is a brief chronology of the major activities of the president and the Executive Committee over the past year, focusing on the major issues, activities, and some results.

ISSUES

1. Term-by-Term Certification: On our initiative, more than 350 colleges and universities wrote letters to the VA opposing their proposal to implement term-by-term certification. The president and treasurer of NAVPA testified before the VA Administrator's Advisory Committee articulating the negative impact the proposal would have on veterans, colleges, and universities, as well as on the VA. The result of our efforts, along with those of AACJC and AACRAO, was the establishment of a subcommittee to further study term-by-term certification. A joint committee of AACJC, AACRAO, and VA personnel developed a questionnaire to gather more data. The outcome was a recommendation of the subcommittee and a subsequent recommendation of the Advisory Committee to the Administrator not to implement term-by-term certification.

   Currently, the VA Administrator plans to send the term-by-term proposal back to the Advisory Committee for recommendations on how term-by-term certification, which is supported by the Inspector General, can be implemented to effectively reduce overpayments. NAVPA must continue to monitor the situation and work closely with the national associations at One Dupont Circle to find constructive solutions to this problem.

2. The New G.I. Bills, Chapters 106 and 30

These new bills have given rise to much activity. An agreement exists that legislative changes will not be "fine tuned" until a year of experience in implementing Chapter 106 will have helped to identify problems and difficulties; this experience will then be considered as legislative changes are contemplated.

a. Increasing numbers of active reservists are enrolling at many colleges and universities as a result of Chapter 106. NAVPA is on record urging Chairman Montgomery to encourage DOD and the VA to communicate accurate information regarding 106 to all appropriate units. In addition, we have recommended that the half-time requirement be made consistent with other G.I. Bill chapters, and that consideration be given to allowing study beyond the Bachelor's Degree requirements. Current data indicates that approximately 20% of the active reservists already have a Bachelor's Degree, so allowing graduate study would be a positive force in retention of these students. We need to continue to monitor and support these recommendations.

b. Passage of Chapter 30 has provided an opportunity to make a fresh start in examining VA regulations. We have submitted proposals concerning definition of academic pursuit, punitive vs. non-punitive grades, seat-time and standard class sessions, term-by-term certification, increased reporting fees, continuation and expansion of the VA Work-Study Program, month-by-month certification for NCD, and advance pay.

NAVPA must continue to play an assertive role, with the national educational associations at One Dupont Circle, in seeing that concerns of colleges, universities, and GI Bill recipients are given full and careful consideration. Chapter 30 veterans may begin to appear on campuses soon after July 1987, and our work must continue if any changes are to be realized.

3. Institutional Liability

NAVPA activity around the issue of institutional liability has been significant in the past year, including the following:

a. As a result of the conference presentation last year by Nancy Soteriou and Susie Archer, the Executive Committee--Suzanne Goodwin in particular--determined that NAVPA should publish an informational brochure on institutional liability. When Suzanne resigned as vice president, Charles Craig (alternate, Region IV) took on this horrendous task, which he has labored long and hard to complete. We will appreciate any written comments on this publication.

b. I have monitored the VA overpayment issue for the last two years. Based on the VA Coin Ed Report 174, the folloiwng is apparent:

1) In March 1984, overpayments were estimated at $552 million. Note: $191.8 million was reactivated in June 1982 and is included in the $552 million. As a result, the more meaningful figure as of March 1984 was $360 million.

2) In February 1985, overpayments were estimated at $525 million. This figure also includes the reactivated $191.8 million. Comparison of the two realistic figures demonstrates that there has been a reduction in the overpayment figures between March 1984 and February 1985 of $26.9 million.

3) As of June, 1985, the VA had notified schools of potential liability in the amount of $7,169,541.

   a) Of the alleged liability ($7,169,541), $941,722 was not upheld by the VA. This represents about one-seventh of the total.

   b) If the remaining amount, $6,227,792, were determined by the VA to be institutional responsibility (which is unlikely), this amount constitutes less than 2% (1.86%) of the adjusted $333,778,000 overpayment figure. Using the VA figures of $525,578,000, the $6,227,792 alleged institutional responsibility would be 1.18% of the total estimated overpayments.

   c) Institutions of higher education have been unjustly presented as the culprit in the problem of overpayments, when in fact the real problem exists in the current VA regulations. Interestingly, only 34 of the 57 VA Regional Offices (59.6%) have made charges of institutional liability. Inconsistency in interpreting and implementing VA regulations between and among the VAROs has an obvious and dramatic effect on the issue of institutional liability.

Clarification of the facts and the growing willingness of institutions to challenge alleged liability have had some positive impact on the issue of institutional liability. At the April 18, 1985, meeting of the V.A. Administrator's Advisory Committee, Lew Dollarhide recommended that a cost-effictiveness study be done regarding the pursuit of school liability. It appears that the pursuit of school liability is not cost-effective and that the process creates significant problems between the IHLs and the VAROs. At Lew's suggestion, the Committee recommended to the VA Administrator that this study be done. To the best of our knowledge, the Administrator has asked that a study be done on the cost-effectiveness of pursuing institutional liability, and the actual cost to institutions of certifying G.I. Bill recipients--another significant area of concern to us.

4. NAVPA Participation in Regional Conferences

The Executive Committee made a commitment to support regional conferences by sending at least one officer to represent NAVPA and participate in each conference. NAVPA was represented at the Alabama and Kansas regional conferences. Since campus travel funds are limited, our continued support for and participation in regional conferences is essential.

5. Expanding Communications

A tip of the hat to Bertie Rowland for her Herculean effort to publish NAVPA updates. The increased number of issues has accomplished at least two significant goals--getting information to the membership promptly, and keeping NAVPA in touch with our membership.

I have continued to work constructively with the higher education associations at One Dupont Circle. We must continue to impress on our membership that they must inform the national associations in which their schools hold membership if those organizations are to advocate in their behalf. The associations will respond to their member institutions if they know about and understand your problems and concerns. Remember that your institution pays big bucks to belong to the national associations; keep them informed so that they can be of assistance in helping to get problems resolved. If NAVPA is to be successful in resolving the problems discussed above, we must have support from the national associations.

6. Legislation and Funding

a. VCIP --It appears that $3 million will be available in the 1986-87 academic year for current VCIP schools.

b. VEOP (Veterans' Education Outreach Program), Sec. 420A of the Higher Education Bill--VEOP will follow the format of VCIP. Highlights include the following:

1) projected authorization starting in 1987 at $15 million, with $5 million increments annually through 1991;

2) minimum grants of $1,000; maximum grants of $75,000;

3) counts to include all undergraduate veterans receiving benefits under Chapters 34, 31, 32, 106, and 30, as well as those with Honorable Discharges who are not receiving G.I. Bill benefits;

4) schools participating in VCIP for the past three years to be eligible (grandfathered) for continued funding; new participants required to have at least 100 eligible veteran students;

5) institutions receiving VEOP funds required to maintain a Veterans Affairs Office; and

6) VEOP to be administered by an identifiable administrative unit within the Department of Education.

Regarding the inclusion of veterans in the count, NAVPA has recommended that those attending one-quarter time be counted.

We owe a great debt of gratitude to Marlyn McAdams who has championed veterans' concerns in the development of the new Higher Education Bill.

I close my report with a few personal thoughts. First, I am thankful to you for giving me the opportunity to serve as your president. While frustrating and exhausting at times, this experience has most often been challenging and rewarding. The accomplishments of the past year would not have been possible without the dedication and commitment of the Executive Committee, the Board, and you, the membership. I am grateful to you, the committed and caring members of NAVPA, for your confidence and support.

Respectfully submitted,

Edward C. Keiser, President

ECK:DR

Testimony

to the

Subcommittee on Education, Training and Employment
Committee on Veterans' Affairs
U.S. House of Representatives

by

Kathleen Arns
Provost, Contractual Programs and Services
College of Lake County
Grayslake, Illinois
and
Member, Joint Commission on Federal Relations
American Association of Community and Junior Colleges
Association of Community College Trustees

on

IMPLEMENTATION OF THE NEW GI BILL

November 19, 1985

Mr. Chairman, we thank you for this opportunity to express to the Committee our personal appreciation for its remarkable work in formulating the New GI Bill. As a member of the Joint Commission on Federal Relations of the Association of Community College Trustees and the American Association of Community and Junior Colleges, I know the two-year colleges want to see the program succeed, and we are glad to work with you to help implement it and monitor its progress. Among its many worthy purposes, none is more significant than the clear recognition it provides that college training is a cornerstone of our national security.

It is clearly in the national interest, Mr. Chairman, that the colleges and universities go to special lengths to make the New GI Bill work. The community colleges generally are eager to move ahead with the program, but unfortunately application forms and information material are not reaching college hands.

My colleagues in various colleges tell me that they were excited by the passage of the New GI Bill. But their enthusiasm has been dampened because materials and directions from the VA have been slow. As a result we cannot answer questions about the program and we cannot assist students to participate in the new program. And we are convinced that a large number of our students could benefit from it.

The new college opportunities that the program provides for the National Guard and Reservists are exciting. We are impressed by their potential for raising the overall quality of military personnel, and for softening the competition among the military, colleges, and industry for high school graduates.

There will be a marked decline in the flow of high school graduates in the decade just ahead, and colleges are facing strong competition from employers and the Armed Forces for the available young people. The New GI Bill offers the opportunity to soften that competition by encouraging high school graduates to mix roles.

If I may borrow an old phrase from affirmative action, many students will turn out to be "two-fers" and "three-fers," if colleges help take the lead in GI Bill recruitment. The majority of students are easily capable of handling both a full college program and a Reserve or Guard commitment. And a good many will prove capable of mixing all three roles — college, Guard or Reserve duty, and a part-time job, which in many cases could be with a defense industry that would utilize the critical technical skills that the students gain in the education that the GI Bill provides.

Should Congress and the Administration agree upon deficit control measures that lessen in any degree at all student financial aid from the Higher Education Act, the New GI Bill may well emerge as the bulwark of college opportunity for the neediest students. The purchasing power of Pell Grants has slipped sharply in the last five years, and unless Congress manages to stabilize their purchasing power, more and more low-income students are likely to find the GI Bill to be their best hope of a college education.

In preparation for this hearing, I polled colleagues at six other campuses on what their colleges were doing with the New GI Bill. I think you will be interested in their answers.

Four of the six colleges I contacted have made attempts to publicize the New GI Bill to students and potential students. Two have made references to it in their catalogs and their class schedules. One has highlighted it in postings and mailings. One has simply referred those asking about it to the regional Veterans Administration office. The remaining two have done nothing at all, chiefly because they have not received sufficient material and information from the VA to handle the program effectively.

The lack of information has become a critical element which colors the thinking of every college administrator that I have questioned about the New GI Bill. When I asked the colleges whether they had received the forms they needed to process the applicants who seek New GI Bill benefits, here were the answers:

1. "No. The VA said the proper form was not ready — and to use the post-Vietnam application."
2. "It's my understanding that there are no forms yet for the new program. Schools are to use the VEAP forms."
3. "Not yet. We are using forms from another program, which causes confusion about what the New GI Bill offers."
4. "No. We have to use the VEAP form until the new applications are available."
5. "No. The VA needs to streamline the new application form, which will contain verification of eligibility and space for the signature of the Reserve unit commanding officer."

The same confusion and doubt characterized the responses to the other questions I asked. Clearly, Mr. Chairman, the New GI Bill is presently crippled by an enormous information gap. When I asked the colleges what they might say about the GI Bill and veterans education benefits if they were making a statement to the Congress, here were some of the answers:

1. "The program needs to be better administered, with more timely information and clearer, simpler answers for the veterans' questions."

2. "The programs are effective, beneficial to the workforce. They should be maintained and expanded."
3. "Too many regulations ... quit changing."
4. "Retain and expand the veterans programs. They benefit the nation. Educational opportunities are very important to veterans."
5. "Quit hasseling the veterans. They don't want term by term certification."

One of them reported that "My office just got a clarification the other day from the VA that there is a new GI Bill program under Chapter 30 that is different from the New GI Bill (yes, the same name!) under Chapter 106. The circular we got on Chapter 30 on November 1 was dated from Washington July, 1985."

Certainly, Mr. Chairman, the colleges don't need the excessive regulations and excessive paperwork that go with the administration of the GI Bill programs. The excessive regulations simply lead to inefficiency at every level. The benefits surely would reach more veterans if there were less bureaucracy, and they would be more happily served by the colleges, if there were less paperwork and fewer audit abuses. Your Committee should take a long look at the lack of due process in the VA's behavior on audits. The audit claims the VA makes against colleges are often arbitrary and shakily documented, yet the typical college administrator would rather pay a $25,000 claim than run the risks of huge investments of staff time and costly lawyer bills in fighting an audit.

In their attempts to reach National Guard and Reserve units and work with them on the New GI Bill, our colleges are finding many unit commanders hesitant to allow college staff to make presentations. Some commanders have questioned whether it would be "fair to other colleges" if one community college gave the presentation. One community college financial aid officer in Wisconsin was invited by a local Army Reserve unit to make a presentation on the New GI Bill and was very well received, yet was turned away by the National Guard unit in the same area. We attribute such hesitancy to the dearth of information.

We want the Committee to know, Mr. Chairman, that the Joint Commission on Federal Relations of the AACJC and ACCT strongly supports S. 1207, Senator Thurmond's bill that would direct the VA to track veterans in college on a credit-hour basis, which is higher education's normal method of measuring pursuit. It would eliminate cumbersome tracking by clock hours. We urge your support for this bill.

In conclusion, we note that the colleges we have polled are unanimous in urging that the VA work with AACJC and ACCT to conduct workshops across the country to fully brief veterans program specialists from the colleges on the New GI Bill. Of course, such workshops should not be given until complete information kits have been published and disseminated. We hope this Committee will also encourage the VA to give such workshops, preferably in every State. Thank you again for this opportunity to express our views and concerns.

THE NON COMMISSIONED OFFICERS ASSOCIATION OF THE UNITED STATES OF AMERICA

"STRENGTH IN UNITY"

Statement of
Richard W. Johnson, Jr.
Director of Legislative Affairs

presented to

Subcommittee on Education, Training and Employment
Committee on Veterans Affairs

on

New G. I. Bill

November 19, 1985

57-905

NATIONAL CAPITAL OFFICE
219 N. Washington Street • Alexandria, VA 22314 • Tele: (703) 549-0311

Mr. Chairman: The Non Commissioned Officers Association of the USA extends its commendations to the committee for exercising this opportunity to review the new G.I. Bill. However, the association would be remiss if it did not thank the committee for the fine work and dedication of both its members and staff in creating this new program.

As statistics demonstrate, the new G.I. Bill is accomplishing many of the goals and needs it was designed to fulfill. It is so popular, one Air Force recruiter recently said he was getting referrals from his Army counterpart from among those interested in enlisting for the new G.I. Bill. Despite its successes, there are still some "rough edges" which could be smoothed.

Since this statement is prepared for the record instead of oral testimony, NCOA will attempt to add brevity to its testimony by highlighting several points in numbered paragraph form.

1. Foremost in the minds of noncommissioned and petty officers is that we will not truly have a G.I. Bill until such time as pay forfeitures and contributors are eliminated. The pay forfeiture is the single largest disincentive to enrollment in the program and enlistment in the Armed Forces for education benefits. Further, the pay forfeiture serves to economically discriminate against those recruits who can not afford to make such forfeitures! In previous G.I. Bills, one major asset was the ability to do good for the nation as well as veterans. They provided opportunities to those who could not ordinarily be expected to afford the benefits of higher education without a G.I. Bill. In sum, they were programs which equally benefited all veterans of service in the Armed Forces, not just those whose economic advantage allowed them to participate. Its recruiting capacity was merely a pleasing and desirable side effect. NCOA implores the committee to restore the true value of this program

by eliminating the pay forfeiture.

2. Most of the implementation problems in the new G.I. Bill have been directly related to its pay forfeiture provisions. Many recruits, in our opinion, do not fully understand the difference between a forfeiture and a contribution. In view of its predecessor program, it is particularly difficult to understand the non refundable forfeiture of the new G.I. Bill and the refundable contribution of the Veterans Educational Assistance Program (VEAP). Eliminating the forfeiture of pay is the most certain and equitable remedy to participation and implementation problems of the new G.I. Bill. If the committee rejects our plan to eliminate the forfeiture, the association requests such funds be converted to refundable contributions.

3. In creating the new G.I. Bill, Congress included provisions designed to resolve the delimiting date eligibility problems of active servicemembers eligible for benefits under the Vietnam Era G.I. Bill. The provisions allow the payment of a combined benefit to those servicemembers who continue to serve through June 30, 1988. However, many servicemembers will be forced to retiree because of service retention policies prior to becoming eligible for benefits under the new bill. Most enlisted personnel must meet strict retention criteria to remain on active duty after 20, 22, 24, 26 and 30 years of service. Those who fail to meet the retention criteria are forced to "voluntarily" retire from service prior to earning eligibility under the new program and too late to take advantage of their eligibility under the old program. NCOA therefore urges the committee to extend eligibility for the new program to any servicemember who retires for longevity during the test period.

4. In its haste to terminate VEAP to avoid having two education programs in place concurrently, Congress abrogated an agreement made to servicemembers who enlisted between January 1, 1977 and June 30, 1985. Upon enlisting and reenlisting these

veterans were all given statements to sign notifying them of their right to enroll in VEAP at any time during their enlistment. Believing these statements, many servicemembers have been disappointed to learn of Congress' change in the program. Furthermore, the services did not review service records or make any organized attempt to notify individual servicemembers their right to enroll in VEAP will be terminated. In retrospect, there was no real need to terminate VEAP enrollments from among members already in service, particularly since Congress foreclosed on their eligibility under the new program. NCOA would prefer to see the new G.I. Bill open to all active servicemembers even if a partial forfeiture of VEAP contributions is required. Absent that, VEAP should be reopened to new enrollments for among the group of people who entered service between January 1, 1977 and June 30, 1985.

5. Under the new program, many recruits have complained they are given too little time to make an educated decision about participation in the new G.I. Bill. Even the services have not standardized their regulations or training on the new program. Thus some recruits are able to make more informed decisions than others. Eliminating the pay forfeiture would eliminate the need for a participation decision. If enrollment decisions must be made, however, NCOA suggests a standard training course on the program be given by trained counsellors to all recruits. Decisions should not be required before the 30th day of service and should be revocable for at least 90 days.

6. Currently under consideration in the other body is a proposal to expand new G.I. Bill training to include on-the-job-training, apprenticeship training and correspondence training. Such a change in the program suggests to NCOA it would be appropriate to have an open enrollment period for servicemembers who declined to enroll in the program because these types of training were not available.

7. On the subject of enrollment, why not allow an individual to initially enroll in the program upon reenlistment? Since retention is one of the primary goals of the program NCOA believes it would be sensible to allow servicemembers to reenlist for initial participation while others are reenlisting for second tier benefits.

Thank you for providing NCOA this opportunity to comment on this very important program.

NATA
Founded
December 28, 1940

NATIONAL AIR TRANSPORTATION ASSOCIATION
4226 King Street • Alexandria, Virginia 22302 • (703) 845-9000

November 27, 1985

HAND DELIVERED

Honorable Thomas A. Daschle, Chairman
Subcommittee on Education, Training and Employment
Committee on Veterans' Affairs
U.S. House of Representatives
335 Cannon House Office Building
Washington, DC 20515

RE: For the Record, November 19, 1985 Hearing on Veterans' Educational Benefits

Dear Mr. Daschle,

The National Air Transportation Association (NATA) represents the business interests of 1200 air taxi and fixed base operators across the country. Since many of our Members provide flight training, we appreciate the opportunity to express our views on veterans' flight training benefits.

NATA strongly supports the effort to reinstate flight training benefits as part of the "new" GI bill. In our opinion, flight training provides an excellent opportunity to acquire meaningful technical training for future employment of veterans. Such training is useful for both direct and ancillary employment purposes.

Since 1981, when veterans' flight training benefits were eliminated, there has been a 24% decrease in the number of student pilot starts, a 58% drop in commercial pilot certificates issued and a 49% decrease in instrument rating certifications. Although these decreases are not totally attributable to the loss of veterans' flight benefits, its cancellation has had a substantial impact.

While the number of pilots has decreased, the demand for pilots is growing. Deregulation of the airlines has led to an increase in the number and size of commercial carriers and expansion of commuter (now called regional) airlines. This, along with the retirement of many World War II pilots has created a shortage of qualified pilots in the pipeline of trained flyers.

This fact is supported by a recent study of our Members experiencing the loss of pilots to both the major and regional airlines. The study indicated 33% of the pilots leaving went to major airlines and 28% went to regional airlines. According to the Future Aviation Professionals of America (FAPA), 8,000 pilots will be hired by the airlines in 1985, surpassing the 5,600 hired in 1984. Clearly, a very strong demand for pilots exists.

Honorable Thomas A. Daschle
November 26, 1985
Page 2 of 2

Reinstating veterans' flight training benefits could also help the military address its pilot retention problem. By filling the civilian pilot demand with veterans utilizing flight training benefits, the current incentive for military pilots to leave the military for the civilian market would not exist.

Although there are concerns with perceived abuses of VA flight training, the substantial monetary investments for private pilot training before eligibility for flight training benefits accrue, combined with the required payment of a percentage of all subsequent training, ensures that veterans use their training for vocational purposes.

As you know, in 1979 the General Accounting Office (GAO) reported a small number of veterans in flight training programs had full time jobs as a result of their training. We feel this is an unrealistic criteria for judging the value of flight training benefits. GAO assumed that a veteran had to be employed as a pilot to utilize flight training when in fact, he could use his training to enhance business opportunities in other fields. For example, salespeople, lawyers and doctors are just a few occupations in which the ability to pilot an aircraft can add to productivity and success even though the person is not actually employed as a "pilot".

In summary, the demand exists for pilots. The benefits to both the individual and our country from the availability of flight training benefits are worth the costs. We urge you to reinstate flight training benefits under the Veterans' Educational Assistance Act. NATA is ready to work with you and Members of your Subcommittee to take the steps necessary for once again allowing veterans to receive assistance in flight training.

Respectfully submitted,

Lawrence L. Burian
President

LLB/pm

American Association for
Counseling and Development
5999 Stevenson Avenue, Alexandria, Virginia 22304 703/823-9800

Statement on Behalf of the American Association for Counseling and Development

by

Rose Cooper, Ed.D., NCC
President

before the

U. S. House of Representatives
Committee on Veterans
Subcommittee on
Education, Training, and Employment

November 19, 1985

Mr. Chairman, I am Rose Cooper, President of the American Association for Counseling and Development. It is an honor to have the opportunity to testify before the subcommittee on Education, Training and Employment in regards to the new G. I. Bill.

Let me begin by giving you some background on our association. AACD is a professional association with more than 46,000 professional counselors as members. These counselors work in a wide variety of settings: schools, hospitals, rehabilitation programs, colleges and universities, mental health centers, and private practice. Counselors work with those men and women directly affected by the G. I. Bill at several points. High school counselors often assist students in making the decision of whether or not to enter the military. College admission and retention counselors work with students who served in the military to help them utilize their benefits and adapt to civilian life. Career development counselors work with former military personnel to help them utilize their military experience and veterans benefits to the fullest extent possible.

School counselors work to help high school students understand their full range of life, career, and educational options available upon graduation. The American School Counselors Association (ASCA), a division of AACD, joined with several other career counseling and educational organizations in negotiating recruitment guidelines with the armed services. The document which resulted, a copy of which is submitted for the record, reaffirms the expectation for recruiters to provide clear, accurate, and complete information to students. It also suggests that an annual meeting be held with school officials and recruiters where current information on Armed Services' education and career opportunities are discussed.

Since their implementation in 1984, these guidelines have helped many counselors assist their students in understanding the G. I. Bill benefits. However, some counselers feel that there was a significant time lapse between the implementation of the new bill and the point when they received materials on it. This seems to have been especially true in low population density areas. I feel that it is vital for the futures of these young men and women that this type of information be distributed more quickly.

The need for information about G. I. Bill benefits does not end as the recruit enters the military, but increases as the point of their separation approaches. According to Nancy Garfield of the American College Personnel Association, also an AACD division, there is a great need for career counseling. This counseling should include vocational guidance, aptitude testing, career and life goal clarification, development of job hunting skills, and a full explanation of all benefits now available to the individual. A special emphasis should be placed on describing the educational and vocational training benefits of the G. I. Bill. Many of these same types of services are currently available at some level through the Veterans Administration,but unless the person is made aware of his/her right to these services or their availability, he or she will be unable to use them. In addition, I feel that the VA must increase its efforts to provide veterans with counseling that will enable them to fully use their benefits and abilities.

Mr. Chairman and members of the subcommittee, thank you for the opportunity to share my thoughts with you. The impact of the new G. I. Bill will become more clear over the next two years. We will be monitoring its effects on veterans closely and continue to share our concerns with you. If we can ever be of any assistance please do not hesitate to contact me.

June 4, 1984

MEMORANDUM FOR THE NATION'S EDUCATORS AND ARMED SERVICES RECRUITERS

Subject: EDUCATOR & RECRUITMENT ACTIVITIES GUIDELINES FOR ARMED SERVICES RECRUITING IN THE NATION'S HIGH SCHOOLS

The undersigned, after careful deliberation, have jointly developed and agreed upon the accompanying guidelines. We consider these guidelines appropriate to effective relationships and procedures for Armed Services recruitment activities in the Nation's High Schools.

Jack Bradshaw
Jack O. Bradshaw
Major General, U.S. Army
Commanding General
U.S. Army Recruiting Command

Thomas A. Shannon
Executive Director
National School Boards Association

J. D. Williams
J. D. Williams
Rear Admiral, U.S. Navy
Commander
U.S. Navy Recruiting Command

Paul B. Salmon, Ed.D.
Executive Director
American Association of School Administrators

Scott D. Thomson
Scott D. Thomson
Executive Director
National Association of Secondary School Principals

Hilda B. Minkoff
Hilda B. Minkoff, Ed.D.
President
American School Counselors Association

C E Mundy Jr
C. E. Mundy, Jr.
Brigadier General, U.S. Marine Corps
Director
Personnel Procurement Division, HQMC

James E Bottoms
Dr. James E. Bottoms
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American Vocational Association

Robert L. Rutherford
Brigadier General, U.S. Air Force
Commander
U.S. Air Force Recruiting Service

Wilma L Vaught
Wilma L. Vaught
Brigadier General, U.S. Air Force
Commander
U.S. Military Entrance Processing Command

Marlene Pinten
Marlene Pinten
Guidelines Coordinator & Past President
American School Counselors Association

Gary F. Van Nevel
Gary F. Van Nevel
Captain, U.S. Coast Guard
Chief
Recruiting Division, CGHQ

EDUCATOR AND RECRUITMENT ACTIVITIES GUIDELINES FOR ARMED SERVICES RECRUITING IN THE NATION'S HIGH SCHOOLS

1. BACKGROUND. The relationship between the persons involved in Armed Services recruitment activities and the educators in a school district is a potential source of comfort and conflict for both sets of public servants. In most schools, recruiters of one or all Services are welcomed by administrators, principals and counselors; in others, they are denied entry. In some schools, no information on military careers is seen in career centers; in others, information provided by the military is the only career material available. With respect to ensuring the delivery of current and accurate military career information and to protect the rights of students, three primary issues emerge in the minds of both recruiters and educators:

a. Access to students during school time.
b. Release of lists of student names and addresses.
c. Administration and use of the Armed Services Vocational Aptitude Battery (ASVAB).

2. PURPOSE. The purpose of these guidelines is to set forth reasonable expectations for both school officials and Armed Services recruiters on these and other issues to provide a basis for discussion and policy-making in their own work settings. These guidelines assume that representatives of all the Armed Services are accorded a reception in schools equal to the reception given to the representatives of other career and educational institutions.

3. EXPECTATIONS

a. Annual Planning Meeting. It is desirable that an annual meeting of school officials and Armed Services recruiting representatives be conducted prior to the beginning of the school year . A key objective of the meeting should be to develop a clear understanding of the school and school district policy and procedures in the coming year.

(1) Ideally, faculty representatives should include the principal, the head of the guidance department and the school counselor with primary responsibility for military career information.

(2) Each Service's recruiting representative with supervisory/liaison authority and the designated recruiter for that school would attend. Recruiting representatives would be expected to provide the name, address and telephone number of their respective commanding officer to facilitate quick resolution of misunderstandings.

(3) Issues to be discussed at the annual planning meeting should include:

(a) Recruiter access to students.

(b) School district policy relating to the release of student directory information.

(c) Student absences for recruiting activities.

(d) Armed Services Vocational Aptitude Battery (ASVAB) testing program.

(e) Armed Services' stay-in-school policy.

(f) Current information on Armed Services' education and career opportunities.

(g) An informational meeting early in the school year for all interested faculty members with Armed Services representatives.

(h) Mutual expectations for the school year.

(4) The school representatives are encouraged to discuss and make available the materials normally provided students, e.g:

(a) Student handbook.

(b) The course catalog and schedule of classes.

(c) School activities; major events in the school calendar.

(d) School organization chart.

(e) A school map/floor plan.

b. Recruiter Expectations of the Faculty. It is reasonable for the Armed Services recruiters to expect the faculty to:

(1) Allocate opportunity for presentations and individual student contact on Armed Services careers and educational opportunities on par with other career and educational institutions.

(2) Display information on Armed Services careers and educational opportunities along with information on all other career and educational opportunities.

(3) Assist with the interpretation of Armed Services Vocational Aptitude Battery (ASVAB) test scores as requested by students and parents.

(4) Assist in developing awareness of career and educational opportunities offered by the Armed Services.

(5) Assist students in making appropriate occupational choices regarding the Armed Services.

(6) Release student directory information in accordance with legislative and school district policies.

(7) Invite recruiters to participate in career fairs, college nights and other activities where career and educational options are presented by non-school personnel.

c. Faculty Expectations of the Recruiters. It is reasonable for school officials to expect Armed Services recruiters to:

(1) Encourage all students to stay in school to graduate.

(2) Reinforce student participation in academic, technological and vocational courses appropriate to their career plans.

(3) Encourage acceptance of the ASVAB program and aid in interpretation of the results.

(4) Contact students within the guidelines established by school officials.

(5) Present clear, accurate and complete information to students, giving honest answers on both positive and negative aspects of military life, so that students may make informed choices.

(6) Inform students about use of information students provide to recruiters, including test data, in accordance with the Family Rights to Privacy Act and other federal and state statutes.

(7) Visit the school in accordance with guidelines established at the annual planning meeting.

(8) Make appointments in advance for visits to school officials.

(9) Have written permission from a student or a parent, if the student is a minor, before requesting school records.

"...nor can a sergeant or corporal be said to be qualified who does not write and read in a tolerable manner."

--Baron Von Steuben

"Will you tell me, Master Shallow, how to choose a man? Care I for the limb, the thewes, the stature, bulk, and big assemblance of a man? Give me the spirit, Master Shallow."

--Shakespeare

"We must remember that one man is much the same as another, and that he is best who is trained in the severest school."

--Thucydides

WRITTEN COMMITTEE QUESTIONS AND THEIR RESPONSE

CHAIRMAN DASCHLE TO LT. GEN. EDGAR CHAVARRIE, DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR MILITARY PERSONNEL POLICY AND FORCE MANAGEMENT, DEPARTMENT OF DEFENSE

NINETY-NINTH CONGRESS
G.V. (SONNY) MONTGOMERY
CHAIRMAN

U.S. House of Representatives
COMMITTEE ON VETERANS' AFFAIRS
335 CANNON HOUSE OFFICE BUILDING
Washington, DC 20515

November 26, 1985

Lieutenant General Edgar Chavarrie
Deputy Assistant Secretary of Defense
 for Military Personnel Policy & Force Management
Department of Defense
Room 3E777
The Pentagon
Washington, D.C. 20301

Dear General Chavarrie:

I regret that time did not permit asking you all of the questions that the Members of the Subcommittee had planned to submit to you at the hearing of November 19, 1985, on the new GI Bill.

It will be appreciated if you will respond to these questions by December 18, 1985. The questions, together with your answers, will be made a part of the official hearing record.

1) What actions are being taken by the Office of the Secretary of Defense to ensure that the new GI Bill is receiving enthusiastic support from the services?

2) Secretary Taft clearly expressed strong support for the new GI Bill, even recognizing the value of the name "GI Bill" to recruitment. He made it very clear that, in his view, the program will be a success if it receives support from the services and DOD. Do you agree with the views expressed by Secretary Taft? Do you agree that DOD is fortunate to have this program available?

Sincerely,

TOM DASCHLE
Chairman
Subcommittee on Education,
 Training and Employment

TD:ek

THE OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301-4000

FORCE MANAGEMENT
AND PERSONNEL

10 FEB 1986

Honorable Tom Daschle
Chairman, Subcommittee on Education,
Training and Employment
Committee on Veterans' Affairs
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

Thank you for your letter requesting information not covered during the Subcommittee on Education, Training and Employment hearings on the New GI Bill. I am pleased to respond.

Question: What actions are being taken by the Office of the Secretary of Defense (OSD) to ensure that the New GI Bill is receiving enthusiastic support from the Services?

Answer: The Military Services have supported the New GI Bill by integrating program information in their recruiting process and having specific follow-up briefings and counseling at the training centers. Policy guidance has been initiated by a DoD-wide Task Force that meets on a regular basis to work out policy concerns.

There has been public advertising under the auspices of the Joint Recruiting Advertising Program (JRAP). During FY 85-86 close to $4 million will be spent to promote this program using a combination of national TV, direct mail and posters. This campaign creates awareness that the New GI Bill is available for all Military Services.

Question: Secretary Taft clearly expressed strong support for the New GI Bill, even recognizing the value of the "GI Bill" to recruitment. He made it very clear that, in his view, the program will be a success if it receives support from the services and DoD. Do you agree with the views expressed by Secretary Taft? Do you agree that DoD is fortunate to have this program available?

Answer: The Department is aware of the importance of educational benefits as an element in the total compensation package as evidenced in Deputy Secretary Taft's letter to the Services. Evaluation of the New GI Bill's effectiveness as a recruiting incentive has been made in this context. And, while not negating the symbolism of a "GI Bill" benefit, the Department has decided to propose legislation which will terminate the New GI Bill and reinstate the Veterans' Educational Assistance Program (VEAP) on October 1, 1986, rather than complete the test through June 30, 1988.

Sincerely,

E. A. Chavarrie
Lieutenant General, USAF
Deputy Assistant Secretary
(Military Manpower and
Personnel Policy)

CHAIRMAN DASCHLE TO LT. GEN. ROBERT M. ELTON, DEPUTY CHIEF OF STAFF FOR PERSONNEL, U.S. ARMY

NINETY-NINTH CONGRESS
G.V. (SONNY) MONTGOMERY
CHAIRMAN
U.S. House of Representatives
COMMITTEE ON VETERANS' AFFAIRS
335 CANNON HOUSE OFFICE BUILDING
Washington, DC 20515

November 26, 1985

Lieutenant General Robert M. Elton
Deputy Chief of Staff for Personnel
U.S. Army
The Pentagon
Washington, D.C. 20310

Dear General Elton:

I regret that time did not permit asking you all of the questions that the Members of the Subcommittee had planned to submit to you at the hearing of November 19, 1985 on the new GI Bill.

It will be appreciated if you will respond to these questions by December 18, 1985. The questions, together with your answers, will be made a part of the official hearing record.

1) Based on the statistics you have which demonstrate the superiority of the new GI Bill over VEAP as a recruitment tool, would your personal view be that, if these statistics continue, the new GI Bill should be made permanent and VEAP should not be revived in mid-1988?

2) We on this Committee believe that recruiters play a major role in the success of the new GI Bill. In many cases, potential recruits will first learn about the availability of this new program from their recruiter. Will you describe, in some detail, the training regarding the new GI Bill given to recruiters?

3) Witnesses who appeared following your panel, testifed in support of amending the new GI Bill to provide benefits to those who pursue on-the-job and apprenticeship training and flight training. Would the program be even more effective if these training alternatives were available?

-2-

4) I understand that the Army has a very interesting computer program installed in all Army recruiting centers which explains the new GI Bill, as well as other aspects of Army service. Would you describe this computer system for the Subcommittee.

Sincerely,

TOM DASCHLE
Chairman
Subcommittee on Education,
Training and Employment

TD:ek

DEPARTMENT OF THE ARMY
OFFICE OF THE DEPUTY CHIEF OF STAFF FOR PERSONNEL
WASHINGTON, DC 20310-0300

20 December 1985

REPLY TO
ATTENTION OF

Personnel Programs
  Analysis Office

Honorable Tom Daschle
Chairman, Subcommittee on Education
  Training and Employment
Committee on Veterans' Affairs
United States House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

I want to thank you again for allowing me to tell the Army's story on the new GI Bill. As I said in my testimony the new GI Bill is good for the Army and good for America.

I have provided my replies to your questions on the enclosed, camera ready forms. I do want to emphasize that the new GI Bill should be made permanent.

The term "GI Bill" has special meaning. As Staff Sergeant Warnock testified, it gives recruiters entry to schools and parents which VEAP never could.

Again, thank you for allowing me to testify.

Sincerely,

Robert M. Elton
Robert M. Elton
Lieutenant General, General Staff
Deputy Chief of Staff
  for Personnel

INSERT FOR THE RECORD

☐	HOUSE	APPROPRIATIONS COMMITTEE	☐	HOUSE	ARMED SERVICES COMMITTEE	X	HOUSE	OTHER Veterans Affairs
☐	SENATE		☐	SENATE		☐	SENATE	

HEARING DATE 19 Nov 85	TRANSCRIPT PAGE NO.	LINE NO.	INSERT NO. 1, 2, 3, 4	

New GI Bill

Mr. Daschle. Based on the statistics you have which demonstrate the superiority of the new GI Bill over VEAP as a recruitment tool, would your personal view be that, if these statistics continue, the new GI Bill should be made permanent and VEAP should not be revived in mid-1988?

General Elton. We consider educational benefits as the incentive which makes the Services competitive in the market place for today's quality youth. As a direct result of the emphasis placed by commanders at all levels, the Army implementation occurred with little difficulty. Given a choice between the New GI Bill and VEAP, the Army prefers the GI Bill. There would be less turbulence by not switching back and with carefully crafted changes, the New GI Bill can become even more effective.

Mr. Daschle. We on this Committee believe that recruiters play a major role in the success of the new GI Bill. In many cases, potential recruits will first learn about the availability of this new program from their recruiter. Will you describe, in some detail, the training regarding the new GI Bill given to recruiters?

General Elton. Our ability to derive maximum benefit from the New GI Bill keys on recruiters' thorough knowledge of the program and their ability to properly present it to our recruit prospects. With this in mind we have developed and implemented a comprehensive training program for our recruiters and their leaders. Initial training kicked off on 5 January 1985 and was completed on 8 March 1985. This totals 5,820 mandays (an average of approximately one training day per recruiter) and an expenditure of $309,000. This training covered all aspects of the New GI Bill and New Army College Fund as well as presentation techniques to prospective applicants. Follow-up evaluation and remedial training is ongoing. This training is institutionalized in our Recruiter School at Fort Ben Harrison, Indiana. To enhance the appeal of this program and as an aid in its presentation, eight short color films were prepared for our Joint Optical Information Network (JOIN) and distributed to over 2,000 recruiting stations nationwide. These films, paralleling our recruiter training, include a New GI Bill overview, entitlements and obligations, the New Army College Fund and the Selected Reserve GI Bill. They are viewed by all prospective enlistees during the sales presentation. My recruiters and I share your enthusiasm for the New GI Bill. It enhances educational opportunities of American youth and Army recruiting.

Mr. Daschle. Witnesses who appeared following your panel, testified in support of amending the new GI Bill to provide benefits to those who pursue on-the-job and apprenticeship training and flight training. Would the program be even more effective if these training alternatives were available?

General Elton. The New GI Bill as currently enacted does assist the Army in meeting its accession goals and will also assist in the readjustment of soldiers to civilian life. To this end, the Army supports making on-the-job and apprenticeship training available to veterans eligible for GI Bill benefits.

The GI Bill has been implemented without any major hitches. However, we recommend the following changes in priority order to

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☐	HOUSE	APPROPRIATIONS COMMITTEE	☐	HOUSE	ARMED SERVICES COMMITTEE	☐	HOUSE	OTHER
☐	SENATE		☐	SENATE		☐	SENATE	
HEARING DATE		TRANSCRIPT PAGE NO.		LINE NO.		INSERT NO.		

increase participation, provide equity and improve the program.

- A one-time refund
- Spread the deductions from $100 for 12 months to $60 for 20 months.
- Allow the Selected Reserve members to use the New GI Bill for the same types of programs as the active duty member(ie, studies above bachelor degree and votech)
- Remove the disparity between disability and convenience of government discharges. A member discharged for convenience of government can accrue full eligibility where a disability discharge only provides one month of benefits for each month served.
- Include the FY77 ROTC graduates as eligible for conversion to the GI Bill in 1990.
- Authorize a soldier to become eligible for the New GI Bill and the Loan Repayment Program as an attractor for the two year college market.

The transferrability of GI Bill benefits with continuation of the current method of funding could be an attractive retention tool. The Army supports this enhancement, however, we are very reluctant to trade-off our other retention incentives such as reenlistment bonuses, special and incentive pay.

Mr. Daschle. I understand that the Army has a very interesting computer program installed in all Army recruiting centers which explains the new GI Bill, as well as other aspects of Army service. Would you describe this computer system for the Subcommittee.

General Elton. This system, called the Joint Optical Information Network or JOIN, contains a micro-computer interfaced with a video disk player and supporting computer programs. Extremely user friendly, these systems provide the capability to display short, color video segments directly to the prospective soldier. Each Army skill is included in the over 300 video segments on the system. These assure that our enlistees have an understanding of the duties and training involved in each skill at the time the job selection is made. Also available are segments on the New GI Bill, Army College Fund and other enlistment options. Other capabilities of the JOIN system include a short test designed to predict the results of the Armed Services Vocational Aptitude Battery or ASVAB test, record keeping and enlistment forms generation. A portable JOIN system is available that our recruiters take into High Schools for career planning and other demonstrations. Planned upgrades include a suitcase system capable of going into the applicants home with the recruiter. I would be pleased to make a system available to demonstrate these capabilities to you and your committee.

Chairman Daschle to Rear Adm. Benjamin T. Hacker, Director, Total Force Training and Education Division, U.S. Navy

NINETY-NINTH CONGRESS
G.V. (SONNY) MONTGOMERY
U.S. House of Representatives
COMMITTEE ON VETERANS' AFFAIRS
Washington, DC 20515

November 26, 1985

Rear Admiral Benjamin T. Hacker
Director, Total Force Training
and Education Division
United States Navy
Arlington Annex - Room G831
Arlington, VA 20370

Dear Admiral Hacker:

I regret that time did not permit asking you all of the questions that the Members of the Subcommittee had planned to submit to you at the hearing of November 19, 1985, on the new GI Bill.

It will be appreciated if you will respond to these questions by December 18, 1985. The questions, together with your answers, will be made a part of the official hearing record.

1) I am puzzled by the difference in your testimony and that presented by General Elton. Why is your recruit quality declining when that of the Army is rather dramatiacally improving? Could this situation be related to the heavy emphasis the Army is putting on the new GI Bill?

2) As we heard from General Elton, 70 percent of new Army recruits are participating in the new GI Bill. These recruits face the same restrictions as Navy recruits; that is, decision to opt out, $1,200 py reduction and no refund. Why is this not the case with Navy recruits?

Sincerely,

TOM DASCHLE
Chairman
Subcommittee on Education,
Training and Employment

TD:ek

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19 November 1985	86	2000	2	

COMPARISON OF ARMY/NAVY RECRUIT QUALITY

Chairman Daschle: I am puzzled by the difference in your testimony and that presented by General Elton. Why is your recruit quality declining when that of the Army is rather dramatically improving? Could this situation be related to the heavy emphasis the Army is putting on the new GI Bill?

Admiral Hacker: The improvement in Army quality over the last several years was probably attributable to a number of factors among which were the economy, Army recruiting management decisions and resources to support and advertise the Army College Fund which was initially a product of the Veterans Educational Assistance Program (VEAP). It is difficult to relate the increase in Army quality to the new GI Bill since quality has risen over several years which predates the new GI Bill.

Selective use of data can be misleading. For example, in October, the fourth month following implementation of the new GI Bill, Army accession quality was dramatically lower than June, the final month prior to implementation.

With respect to the apparent decline in Navy quality, selective use of data again would not tell the whole story. Reported non-prior service male recruit quality has shown a varying trend since FY-80. Upper mental group (UMG), as determined from scores on the Armed Forces Qualification Test (AFQT) portion of the applicant's entrance test, is Navy's primary measure of quality. The Table below shows the percentage of recruits that were UMG. Due to test miscalibrations, renorming of test scores to a 1980 reference population, and a recent change which redefined Navy UMG to be AFQT 50 and above rather than AFQT 49 and above, the percent of UMG actually accessed was lower than reported. In terms of the measure currently in effect, the actual percent of UMG recruits has shown steady improvement since FY-80.

A secondary measure of quality, high school diploma graduate (HSDG) percentage, showed improvement from FY-80 to an historical high in FY-84. This was made possible by a depressed economy, lower accession goals and resultant management decisions to tighten accession quality parameters. The decline in FY-85 reflects a changing recruiting environment, increasing accession needs, and the decision to enlist qualified nongraduates rather than a fiscally irresponsible approach which would seek increased resources in an attempt to maintain unrealistically high HSDG levels.

Percentage of Quality Non-prior Service Male Navy Accessions

FY	80	81	82	83	84	85
UMG%						
Reported	75.6	64.2	65.3	69.7	69.2	64.8
Actual	54.1	58.7	59.0	64.1	63.3	64.8
HSDG%	73.1	73.7	77.0	90.0	92.3	88.0
GED%	8.2	12.0	11.7	5.5	3.8	5.3
Total HSG%	81.3	85.7	88.7	95.5	96.1	93.3

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HEARING DATE 19 November 1985	TRANSCRIPT PAGE NO. 86		LINE NO. 2000		INSERT NO. 3			

DIFFERENCE BETWEEN ARMY/NAVY PARTICIPATION

Chairman Daschle: As we heard from General Elton, 70 percent of new Army recruits are participating in the new GI Bill. These recruits face the same restrictions as Navy recruits; that is, decision to opt out, $1,200 pay reduction and no refund. Why is this not the case with Navy recruits?

Admiral Hacker: Although the new GI Bill and associated restrictions are the same for both Army and Navy, an accurate comparison on participation is not possible due to the Army College Fund factor. A large advertising budget has allowed the Army to continue to promote the Army College Fund in conjunction with the new GI Bill. Army has been targeting the market and attracting those applicants primarily interested in continuing their education after a single tour of duty with the military service. Educational assistance is not the dominant buying motive/interest identified in most Navy applicants. For this reason we integrate the new GI Bill into our total benefits package.

The results of these dissimilarities in available educational assistance and funds for advertising are believed significant in comparing the rate of participation. While the Army and Navy recruits both face the same GI Bill participation restrictions, many Army applicants have made their fundamental enlistment decision based upon the Army College Fund which has as a prerequisite participation in the new GI Bill.

Chairman Daschle to Maj. Gen. Winfield S. Harpe, Director, Personnel Programs, U.S. Air Force

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November 26, 1985

Major General Winfield S. Harpe
Director, Personnel Programs
DCS/M & P
Department of the Air Force
The Pentagon
Washington, D.C. 20330-5060

Dear General Harpe:

I regret that time did not permit asking you all of the questions that the Members of the Subcommittee had planned to submit to you at the hearing of November 19, 1985, on the new GI Bill.

It will be appreciated if you will respond to these questions by December 18, 1985. The questions, together with your answers, will be made a part of the official hearing record.

1) In your testimony, you stated that "the retention environment is fragile". Yet later you indicated that the Air Force is not willing to divert resources from "higher priority programs" in order to pay for a transferability provision. It would seem to me that the retention of skilled pilots, whose training has cost the Government over $1 million, would be a very high priority.

If a targeted transferability provision would help retention, why is the Air Force unwilling to fund it?

2) What efforts were made by the Air Force to ensure that all affected servicemembers understood they had to sign up for VEAP prior to July 1, 1985?

Sincerely,

TOM DASCHLE
Chairman
Subcommittee on Education,
Training and Employment

TD:ek

INSERT FOR THE RECORD

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HEARING DATE	TRANSCRIPT PAGE NO.	LINE NO.	INSERT NO.	
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WOULD THE AIR FORCE BE WILLING TO PAY FOR TRANSFERABILITY?

Congressman Daschle: Would the Air Force be willing to pay for the transferability of New GI Bill educational benefits to aid in the retention of skilled pilots?

Respondent: Retention of skilled pilots, as well as other officer and enlisted specialists, is a high Air Force priority. Presently, aviation career incentive pay and selective reenlistment bonuses assure we retain the right numbers and kinds of people. We would not be unwilling to fund a transferability provision if we were predicting a force management problem and if we knew that transferability would resolve that problem. However, we operate on a very tight zero-sum budget and in order to program money for transferability we would have to apply a cut to some other incentive programs which are already funded down to the base line. Air Force pilot retention has been in a gradual decline since it peaked in FY83. While we are not "alarmed", we are watching the trends very carefully. Organizational climate, personal, and economic factors influence the retention of Air Force people. While we can control some things like transferability benefits, we cannot control all the factors. Transferability benefits, for example, are only a small part of the economic factor. The Veterans' Administration is already funding the Government's portion of the New GI Bill. It seems to us to be more efficient for the VA to continue to fund and administer the program whether the member receives the benefit or his bona fide dependent is the recipient under a transferability provision.

INSERT FOR THE RECORD

☐	HOUSE	APPROPRIATIONS COMMITTEE	☐	HOUSE	ARMED SERVICES COMMITTEE	☒	HOUSE	OTHER Veterans Affairs Committee
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HEARING DATE	TRANSCRIPT PAGE NO.	LINE NO.	INSERT NO.	
19 Nov 85				2

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WHAT DID THE AIR FORCE DO TO COUNSEL VEAP ELIGIBLES?

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[classification]

Congressman Daschle: What efforts were made by the Air Force to ensure that all affected servicemembers understood they had to sign up for VEAP prior to July 1, 1985?

Respondent: On February 8, 1985, we directed a massive counseling effort to advise all VEAP eligibles of the imminent suspension of the program. During the period March through June our Base Education Center personnel contacted and counseled over 300,000 VEAP eligibles. A special VEAP suspension form was developed and used to document the counseling process.

Additionally, special arrangements were made with Air Force Recruiting Service and the Basic Military Training Center at Lackland Air Force Base, Texas to insure that all new acessions placed in the Delayed Enlistment Program had the opportunity to enroll in VEAP prior to 1 July 1985.

As a result of this extensive effort we estimate that over 100,000 new VEAP enrollments were realized. We cannot, as yet, quantify the exact figure since our Accounting and Finance Center is still backlogged in processing the deluge of new enrollments.

CHAIRMAN DASCHLE TO BRIG. GEN. GAIL M. REALS, DIRECTOR, MANPOWER PLANS AND POLICY DIVISION, U.S. MARINE CORPS

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November 26, 1985

Brigadier General Gail M. Reals
Director, Manpower Plans and Policy Division
Headquarters Marine Corps
Arlington Annex, Room 4026
Arlington, VA 20380

Dear General Reals:

I regret that time did not permit asking you all of the questions that the Members of the Subcommittee had planned to submit to you at the hearing of November 19, 1985, on the new GI Bill.

It will be appreciated if you will respond to these questions by December 18, 1985. The questions, together with your answers, will be made a part of the official hearing record.

1) What kind of feedback have you gotten from your recruiters regarding this new educational assistance program? Have they been enthusiastic about the program?

2) Is it your personal expectation that the new GI Bill will attract not only more young people to the Marine Corps, but also attract high quality recruits who would not be attracted by enlistment bonuses alone?

3) I'm intrigued by your comment that some private schools have been more receptive to Marine Corps recruiters since the inception of the new GI Bill. Would you mind expanding on that?

Sincerely,

TOM DASCHLE
Chairman
Subcommittee on Education,
Training and Employment

TD:ek

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GI BILL

UNCLASSIFIED

Question: What kind of feedback have you gotten from your recruiters regarding this new educational assistance program? Have they been enthusiastic about the program?

Answer: It is still too early to tell what impact the new GI Bill will have on recruiting because the majority of the recruits entering the program now were in the Delayed Entry Program (DEP) (prior to 1 July 1985) and were already sold on the Marine Corps. We anticipate that the participation rate will increase as public awareness increases and new recruits are more knowledgeable on the benefits available under the new GI Bill.

With the Marine Corps' emphasis on accession quality (Mental Group Categories I-IIIA), this program should have a positive impact since these individuals are the ones most interested in college. However, applicants and parents express some concern on (a) no refund capability (b) the high monthly deduction and (c) the short period to make such an important decision.

UNCLASSIFIED

Question: Is it your personal expectation that the new GI Bill will attract not only more young people to the Marine Corps, but also attract high quality recruits who would not be attracted by enlistment bonuses alone?

Answer: It is anticipated that the new GI Bill will attract more young people and high quality recruits not attracted by enlistment bonuses. The young people we recruit today want to be Marines. Those high quality individuals (Mental Group Categories I-IIIA), who are more likely to be interested in furthering their education, will be interested in the new GI Bill. Those individuals who enlist for a skill that is marketable in the private sector will be more interested in the enlistment bonuses. However, our bonus programs are designed to assist in filling occupational fields which are hard to fill. These skills are more technical and usually require a longer period of training. Together, the new GI Bill and bonus programs provide the Marine Corps with a combination that will attract the high quality individuals desired.

UNCLASSIFIED

Question: I'm intrigued by your comment that some private schools have been more receptive to Marine Corps recruiters since the inception of the new GI Bill. Would you mind expanding on that?

Answer: The new GI Bill provided the recruiter a significant, added benefit to offer to the private school student and also demonstrated to the school administrators that the Marine Corps has a lot to offer.

Previous assumptions about private school students were that their parents would and could send their children to college. This has changed somewhat with the continuing rise in college costs. Parents are now beginning to look at the GI Bill as assistance in paying these high costs.

CHAIRMAN DASCHLE TO REAR ADM. HENRY H. BELL, CHIEF, OFFICE OF PERSONNEL U.S. COAST GUARD

NINETY-NINTH CONGRESS
G.V. (SONNY) MONTGOMERY
CHAIRMAN
U.S. House of Representatives
COMMITTEE ON VETERANS' AFFAIRS
335 CANNON HOUSE OFFICE BUILDING
Washington, DC 20515

November 26, 1985

Rear Admiral Henry H. Bell
Chief, Office of Personnel
United States Coast Guard
2100 Second Street, S.W.
Washington, D.C. 20593

Dear Admiral Bell:

I regret that time did not permit asking you all of the questions that the Members of the Subcommittee had planned to submit to you at the hearing of November 19, 1985, on the new GI Bill.

It will be appreciated if you will respond to these questions by December 18, 1985. The questions, together with your answers, will be made a part of the official hearing record.

1) Do you agree with Secretary Taft that the support given the new GI Bill by the services will determine whether or not it is a success?

2) What efforts have the Coast Guard made to advertise the availability of GI Bill benefits to those who join the Coast Guard?

3) In your personal view, will the availability of a GI Bill help the Coast Guard attract high quality recruits?

Sincerely,

TOM DASCHLE
Chairman
Subcommittee on Education,
Training and Employment

TD:ek

U.S. Department of Transportation
United States Coast Guard

Commandant
United States Coast Guard

Washington, DC 20593
Staff Symbol: G-CC
Phone: 426-4280

The Honorable Tom Daschle
Chairman, Subcommittee on Education,
Training and Employment
Committee on Veterans' Affairs
House of Representatives
Washington, D.C. 20515

Dear Mr. Daschle:

This is a response to your letter of November 26, 1985, containing additional questions on the new GI Bill to become a part of the official record of the November 19, 1985 Subcommittee hearing on the same subject.

The questions, and the Coast Guard's responses to each of them, follow:

Q. Do you agree with Secretary Taft that the support given the new GI Bill by the services will determine whether or not it is a success?

A. The success of the new GI Bill depends, to a degree, on the support given to it by the services. However, other factors contribute to the GI Bill's level of success. It is the Coast Guard's opinion that, if certain adjustments are made to the Bill as it is currently administered, participation in the program will be even greater than that being experienced at present. Three suggested administrative changes are:

To extend the time frame in which eligible personnel are required to make a decision on whether to participate in the new GI Bill. The first 2 weeks of active duty are turbulent times at best, and not the optimum time frame in which to require a decision of this magnitude. I recommend the time frame for a decision be extended to the first 4 months of active duty.

To modify the payment schedule for the required $1200 contribution. At present, $100 per month is to be contributed for 12 months, a sizable reduction of a recruit's already small paycheck. The current payment schedule discourages many eligible personnel from taking advantage of the program. I recommend the size of the contribution be reduced to $60 per month for 20 months.

To allow a one-time refund of the $1200 contribution for participants who fail to meet eligibility requirements. The law currently reads that members are excluded from receiving benefits, even though they have made a nonrefundable contribution, when they: 1) do not complete the minimum time on their enlistment, 2) do not earn an honorable discharge, or 3) do not earn a high school diploma prior to the end of their first enlistment. I recommend in situations of this type, participants be allowed a refund of their contributions.

Q. What efforts has the Coast Guard made to advertise the availability of GI Bill benefits to those who join the Coast Guard?

A. When benefits first became available, their availability was emphasized in correspondence to each district recruiting officer/recruiting office. A description of benefits is written into each Coast Guard regular and Reserve recruiting pamphlet, highlighted in a special direct mail enlisted campaign and in promotional material supplied to the Coast Guard auxiliary for a special recruitment program, and is explained in a special nationwide advertising campaign directed at increasing applicants for the Reserve system. In 1986, as part of a joint armed forces recruiting direct mail campaign, an estimated 29,000 individuals who request information on the Coast Guard will receive information on the new GI Bill in their information packages. A public service announcement scheduled for 1986 will incorporate script that will promote the new GI Bill as part of its overall market strategy, and any new print ads will include some highlights on the new GI Bill.

Those joining the Coast Guard receive a one-half hour indoctrination on GI Bill benefits on their third day in recruit training. On their tenth day of active duty, they attend a one-hour presentation on new GI Bill benefits, at the conclusion of which they must decide whether or not to participate in the program. Coast Guard participation in the new GI Bill, currently at the 50 percent level, is on the increase with even greater participation expected in 1986.

Q. In your personal view, will the availability of the GI Bill help the Coast Guard attract high quality recruits?

A. The Coast Guard is already utilizing the availability of the new GI Bill benefits to attract recruits of the highest caliber. Approximately 75 percent of Coast Guard personnel electing to participate in the program have indicated that the availability of the new GI Bill was a major factor that encouraged them to join the Coast Guard. It is a very valuable recruiting tool.

Thank you for your interest in the Coast Guard's utilization of the new GI Bill.

Sincerely,

W. T. LELAND
CAPTAIN, U.S. COAST GUARD
CHIEF, CONG[illegible] STAFF

Chairman Daschle to M. Sgt. Edward D. Fender II, Recruiting Service, U.S. Air Force

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November 26, 1985

MSGT Edward D. Fender II
USAF Recruiting Office
7764 W. Dodge Road
Omaha, Nebraska 68114-3637

Dear Sgt. Fender:

I regret that time did not permit asking you all of the questions that the Members of the Subcommittee had planned to submit to you at the hearing of November 19, 1985 on the new G.I. Bill.

It will be appreciated if you will respond to these questions by December 18, 1985. The questions, together with your answers, will be made a part of the official hearing record.

1) When we were developing this new educational assistance program, panels of recruiters testified that if we gave them a GI Bill, they could bring in the high quality young people we all want in our armed forces. Now that you've got it, is the GI Bill an effective recruitment tool? How does it compare to VEAP as an enlistment incentive?

2) What kind of training and information regarding the new GI Bill were you given after it was enacted last year?

3) Do you feel that you understand the program and can fully explain its structure and benefits to potential recruits?

4) Do you think that when young people leave your recruiting station they understand the benefits available to them under the new GI Bill?

5) What are the characteristics of the young people who are most interested in GI Bill benefits?

6) Do you visit high schools in your area advising counselors and other personnel of the establishment of a new GI Bill?

Sincerely,

TOM DASCHLE
Chairman
Subcommittee on Education,
Training and Employment

TD:ek

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HEARING DATE 19 Nov 85	TRANSCRIPT PAGE NO.	LINE NO.	INSERT NO.	1

EFFECTIVENESS OF NEW GI BILL AS A RECRUITMENT TOOL

Congressman Daschle: When we were developing this new educational assistance program, panels of recruiters testified that if we gave them a GI Bill, they could bring in the high quality young people we all want in our armed forces. Now that you've got it, is the GI Bill an effective recruitment tool? How does it compare to VEAP as an enlistment incentive?

MSgt Fender: The New GI Bill is an effective recruitment tool. It complements the other educational benefits already in use by the Air Force. It is a much stronger sales tool than VEAP.

RECRUITER TRAINING/INFORMATION ON THE NEW GI BILL

Congressman Daschle: What kind of training and information regarding the New GI Bill were you given after it was enacted last year?

MSgt Fender: We were provided with several Air Force internal talking/point papers on the New GI Bill prior to its July 1, 1985, effective date. The subject was discussed at our flight training meetings. All the questions we recruiters had about the New GI Bill were answered by the papers and our flight supervisor.

RECRUITER CAPABILITY TO EXPLAIN PROGRAM TO RECRUIT

Congressman Daschle: Do you feel that you understand the program and can fully explain its structure and benefits to potential recruits?

MSgt Fender: I believe the training I received was adequate. When I discuss the New GI Bill with applicants I am confident I can satisfactorily answer questions concerning its structure and benefits.

DO RECRUITS YOU'VE COUNSELED UNDERSTAND BENEFITS UNDER NEW GI BILL

Congressman Daschle: Do you think that when young people leave your recruiting station they understand the benefits available to them under the New GI Bill?

MSgt Fender: I strive to inform my applicants of their benefits under the New GI Bill. I believe that they have a pretty good understanding of the program, but I think there are many fine points which are probably better left to the experts at basic training. Our recruits receive two instruction sessions at Lackland before they make their final decision to participate.

INSERT FOR THE RECORD

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☐	SENATE		☐	SENATE		☐	SENATE	Veterans Affairs Cmte

HEARING DATE 19 Nov 85	TRANSCRIPT PAGE NO.	LINE NO.	INSERT NO.	5

CHARACTERISTICS OF YOUNG PEOPLE INTERESTED IN NEW GI BILL

Congressman Daschle: What are the characteristics of the young people who are most interested in GI Bill benefits?

MSgt Fender: The people most interested in the New GI Bill are goal oriented. They want an education and see the various educational benefits available in the Air Force as an avenue to reach their goals. They are usually from middle to lower middle income families and are in the top two categories on the mental examination (AFQT). They don't want to incur large debts to continue their education. The New GI Bill is an excellent complement to other educational benefits we already offer.

CONTACT WITH SCHOOL OFFICIALS ON THE NEW GI BILL

Congressman Daschle: Do you visit schools in your area advising counselors and other personnel of the establishment of a new GI Bill?

MSgt Fender: As part of my school visits, I advise counselors and other faculty members of the total educational package available from the Air Force, including the New GI Bill. My school officials are enthusiastic about our approach to stressing educational programs and the provisions of the New GI Bill.

CHAIRMAN DASCHLE TO MASTER CHIEF HOMER JOHNSON, RECRUITING SERVICE, U.S. NAVY

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CHAIRMAN

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November 26, 1985

Master Chief Homer Johnson
Navy Recruiting
Ballston Towers
Building #3 - Room 200
Wilson Boulevard
Arlington, VA

Dear Chief Johnson:

I regret that time did not permit asking you all of the questions that the Members of the Subcommittee had planned to submit to you at the hearing of November 19, 1985 on the new G.I. Bill.

It will be appreciated if you will respond to these questions by December 18, 1985. The questions, together with your answers, will be made a part of the official hearing record.

1) When we were developing this new educational assistance program, panels of recruiters testified that if we gave them a GI Bill, they could bring in the high quality young people we all want in our armed forces. Now that you've got it, is the GI Bill an effective recruitment tool? How does it compare to VEAP as an enlistment incentive?

2) What kind of training and information regarding the new GI Bill were you given after it was enacted last year?

3) Do you feel that you understand the program and can fully explain its structure and benefits to potential recruits?

4) Do you think that when young people leave your recruiting station they understand the benefits available to them under the new GI Bill?

5) What are the characteristics of the young people who are most interested in GI Bill benefits?

6) Do you visit high schools in your area advising counselors and other personnel of the establishment of a new GI Bill?

Sincerely,

TOM DASCHLE
Chairman
Subcommittee on Education,
Training and Employment

TD:ek

INSERT FOR THE RECORD

☐ HOUSE ☐ SENATE	APPROPRIATIONS COMMITTEE	☐ HOUSE ☐ SENATE	ARMED SERVICES COMMITTEE	☒ HOUSE ☐ SENATE	OTHER Veterans' Affairs
HEARING DATE 19 November 1985	TRANSCRIPT PAGE NO.	LINE NO.	INSERT NO. 1		

NEW GI BILL

Chairman Daschle: When we were developing this new educational assistance program, panels of recruiters testified that if we gave them a GI bill, they could bring in the high quality young people we all want in our Armed Forces. Now that you've got it, is the GI bill an effective recruitment tool? How does it compare to VEAP as an enlistment incentive?

Master Chief Johnson: It's difficult to measure the effectiveness of the new GI bill, as a recruitment tool, at this early date. I sincerely think the only service getting recruits joining primarily for educational benefits is the Army with its Army College Fund. It doesn't make much sense for an applicant to join the Navy for educational benefits as his/her dominant buying motive when they could get twice the benefit joining the Army. At the same time, the GI bill, as part of our overall package of benefits, helps convince applicants that the Navy has a worthwhile benefits program. I feel the GI bill is a better product to sell than VEAP was, because of the increased monetary gain for the applicant.

Chairman Daschle: What kind of training and information regarding the GI bill were you given after it was enacted last year?

Master Chief Johnson: A training package was developed at our recruiting school and sent to each Recruiting District for incorporation into the Command Training Plan. A pamphlet was developed outlining the new GI bill and all Navy recruiters were directed to furnish each applicant interviewed with a copy to keep.

INSERT FOR THE RECORD

☐ HOUSE ☐ SENATE	APPROPRIATIONS COMMITTEE	☐ HOUSE ☐ SENATE	ARMED SERVICES COMMITTEE	X HOUSE ☐ SENATE	OTHER Veterans' Affairs
HEARING DATE 19 November 1985	TRANSCRIPT PAGE NO.	LINE NO.	INSERT NO. 3		

NEW GI BILL

Chairman Daschle: Do you feel that you understand the program and can fully explain its structure and benefits to potential recruits?

Master Chief Johnson: Yes, Sir. The GI bill has been thoroughly briefed to all recruiters. All new recruiters receive classroom instruction in recruiting school and are tested on its content.

Chairman Daschle: Do you think that when young people leave your Recruiting Station they understand the benefits available to them under the new GI bill?

Master Chief Johnson: Yes, Sir. They are also given literature to take with them, which explains the new GI bill. We are looking into developing a short film to show all potential applicants.

Chairman Daschle: What are the characteristics of the young people who are interested in the GI bill benefits?

Master Chief Johnson: A high school diploma graduate, recently out of high school or dropped out of college for financial reasons. Upper three mental categories on the Armed Services Vocational Aptitude Battery. Parents not financially capable to afford college costs.

Chairman Daschle: Do you visit high schools in your area advising counselors and other personnel of the establishment of a new GI bill?

Master Chief Johnson: All Navy recruiters are tasked with delivering an educational package to counselors at the beginning of each school year. These packages are kept updated through follow-up visits. School counselors are well versed on the educational benefits offered by the Armed Forces.

CHAIRMAN DASCHLE TO S. SGT. JOHN PARSONS III, RECRUITING SERVICE, U.S. MARINE CORPS

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JOHN G. ROWLAND, CONNECTICUT

November 26, 1985

SSGT John Parsons III
U.S. Marine Corps Substation
96 Flock Road
Mercerville, NJ 08619

Dear Sgt. Parsons:

I regret that time did not permit asking you all of the questions that the Members of the Subcommittee had planned to submit to you at the hearing of November 19, 1985 on the new G.I. Bill.

It will be appreciated if you will respond to these questions by December 18, 1985. The questions, together with your answers, will be made a part of the official hearing record.

1) When we were developing this new educational assistance program, panels of recruiters testified that if we gave them a GI Bill, they could bring in the high quality young people we all want in our armed forces. Now that you've got it, is the GI Bill an effective recruitment tool? How does it compare to VEAP as an enlistment incentive?

2) What kind of training and information regarding the new GI Bill were you given after it was enacted last year?

3) Do you feel that you understand the program and can fully explain its structure and benefits to potential recruits?

4) Do you think that when young people leave your recruiting station they understand the benefits available to them under the new GI Bill?

5) What are the characteristics of the young people who are most interested in GI Bill benefits?

6) Do you visit high schools in your area advising counselors and other personnel of the establishment of a new GI Bill?

Sincerely,

TOM DASCHLE
Chairman
Subcommittee on Education,
Training and Employment

TD:ek

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HEARING DATE	TRANSCRIPT PAGE NO.	LINE NO.	INSERT NO.		

GI BILL

Question 1a: Is the GI Bill an effective recruitment tool?
Answer: Yes.

UNCLASSIFIED

Question 1b: How does it compare to VEAP as an enlistment incentive?

Answer: There are many ways to answer this, the most practical being for $1,500.00 less you get $2,700.00 more with the new GI Bill than with VEAP. The only drawback at all is that the money is not refundable. However, if the new GI Bill is addressed positively in the recruiting office and the paperwork finished prior to the confusion associated with recruit training, then the individual will more than likely elect to stay enrolled in the GI Bill.

Question: What kind of training and information regarding the new GI Bill were you given after it was enacted last year?

UNCLASSIFIED

Answer: As far as training is concerned I received a class during the second quarter of FY 1985, given by my Recruiter Instructor. As far as information regarding the GI Bill, well, that is a very sore subject with the recruiters in my area. Although we have received some information, it has been in the form of message traffic only. It seems we have nothing at all to show exactly what the GI Bill is. In other words we have NO collateral materials.

BRIGADIER GENERAL GAIL M. REALS COMMENT

Subsequent to Staff Sergeant Parson's attendance at Recruiters School, the new GI Bill was added to the School's curriculum. Currently, recruiters receive instruction concerning the benefits of the new GI Bill and how to use the program when discussing enlistment opportunities with potential applicants.

Collateral materials concerning the new GI Bill will be available in February 1986. The Marine Corps is producing a brochure explaining the new GI Bill. Additionally, a DoD pamphlet explaining the new GI Bill will be distributed to all the Services in March 1986.

Question: Do you feel that you understand the program and can fully explain its structure and benefits to potential recruits?

Answer: Yes.

UNCLASSIFIED

Question: Do you think that when young people leave your recruiting station they understand the benefits available to them under the new GI Bill?

UNCLASSIFIED

Answer: Yes, although I can't speak for the whole Nation, only Recruiting Substation Trenton.

INSERT FOR THE RECORD

☐	HOUSE	APPROPRIATIONS COMMITTEE	☐	HOUSE	ARMED SERVICES COMMITTEE	☐	HOUSE	OTHER
☐	SENATE		☐	SENATE		☐	SENATE	
HEARING DATE	TRANSCRIPT PAGE NO.	LINE NO.	INSERT NO.					

GI BILL

Question: What are the characteristics of the young people who are most interested in GI Bill benefits?

UNCLASSIFIED

Answer: I don't feel that I am in a position to characterize young people. The young people that I have personally spoken with come from two backgrounds: 1) They need the GI Bill because their family cannot afford to send them to college, and 2) Their families can afford to give them anything they want, but the applicants want to make it on their own.

Question: Do you visit high schools in your area advising counselors and other personnel of the establishment of a new GI Bill?

UNCLASSIFIED

Answer: Yes. I have visited all of the high schools in my area and advised them of changes in the educational benefits established by the new GI Bill. My only problem is that everyone has the same request. They need collateral material for their students and parents as a proof source.

CHAIRMAN DASCHLE TO DR. EDWARD C. KEISER, PAST PRESIDENT, NATIONAL ASSOCIATION OF VETERAN PROGRAM ADMINISTRATIONS

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JOHN G. ROWLAND, CONNECTICUT

November 26, 1985

Dr. Edward C. Keiser
Past President
NAVPA 101 Beecher Hall - M.L. #213
University of Cincinnati
Cincinnati, Ohio 45221

Dear Dr. Keiser:

I regret that time did not permit asking you all of the questions that the Members of the Subcommittee had planned to submit to you at the hearing of November 19, 1985, on the new GI Bill.

It will be appreciated if you will respond to these questions by December 18, 1985. The questions, together with your answers, will be made a part of the official hearing record.

1) I am concerned by the observation in your testimony that information on the Chapter 106 program for National Guard and Reserves is not getting out to individual units. Would you give the Subcommittee a little more background and information on this? Were the Guard and Reserve members unfamiliar with the benefits available to them?

2) Have the students, who are already studying under Chapter 106, indicated that the educational benefits available to them under the new GI Bill contributed to their decision to get in or stay in the Guard or Reserves?

3) If the VA regulation calling for month-by-month certification is not amended, what will be the impact on veteran students?

Sincerely,

TOM DASCHLE
Chairman
Subcommittee on Education,
Training and Employment

TD:ek

National Association of Veterans Program Administrators

N
A
V
P
A

December 16, 1985

Tom Daschle, Chairman
U.S. House of Representatives
Committee on Veterans' Affairs
335 Cannon House Office Building
Washinton, DC 20515

Dear Congressman Daschle:

Thank you for the opportunity to respond to your questions regarding my testimony.

1. Several colleges, the University of Cincinnati included, began receiving inquires from active reservists in late June, July and August. During these months the only information available to campuses was a "draft copy" of the proposed VA regulations implementing Chapter 106. Most campuses did not have a copy of Form DD 2384 necessary for establishing eligibility. Our campus and many others contacted VA in mid July to obtain copies of the guidelines, regulations and forms. To compensate for the units not having this information, we xeroxed copies and had the students take them to the guard or reserve commanders. It should be noted that the VA has been accepting and processing xeroxed copies of Form DD 2384.

The other dimension of this information gap problem has been not only the delay but the confusion of the information. For example, a significant number of reservists did not know of the distinction between Chapter 106 and Chapter 30. Details regarding the six year committment are still interpreted differently and with lack of certainty. Examples of this problem that we are aware of include: (a) if you had committed to an eight year tour of duty prior to July 1, 1985 and have at least six years remaining, are you eligible to receive Chapter 106 educational benefits?, (b) could persons with a four year tour committment be eligible if they extended for two additional years?, (c) some units have established the eligibility date as the first day of the academic term, others as the date that the individual extended their tour of duty and (d) for students attending colleges on VEAP and who extend for six years in the reserves after July 1, 1985 are they eligible once they have used up the VEAP benefits while still working on a bachelors degree? The data from the NAVPA survey which is being submitted under seperate cover from Ms. Bertie Rowland, further demonstrates the information gap that has existed.

One can expect some difficulties when starting any new program. Apparently there has been some lack of enthusiasm and/or simple underestimation of the potential impact of Chapter 106 on the part of the VA and DOD. The oversight hearings of your committee have done much to bring proper focus and attention to the positive potential Chapter 106 holds as a constructive retention program.

2. In response to your second question the answer is definitely yes. The majority of our contacts are those individuals who have extended their tour of duty. In most cases the educational benefits of Chapter 106 has been indicated as a major factor in deciding to remain longer in the reserves. We are aware of two cases where the individuals joined the guard or reserves in order to generate educational benefits.

3. If the VA's interpretation of Chapter 30 "certification after the period" is defined as month by month certification, the impact on Veterans, Colleges, Universities and the VA, will be negative. The simple problem of paperwork overload for Colleges and Universities and the VA will result in pay delays and pay problems. Prior to 1972 the principle of monthly certification was in effect. The massive paperwork overload caused critical

problems for the VA, resulting in Veteran's not receiving educational checks timely. The result was a change in regulations to permit continuous certification.

Currently, the VA has proposed term-by-term certification. VA received about 350 responses to this proposed regulation. The vast majority, about 340, of the responses recommend against implementation of term-by-term certification for the following reasons: 1.) it would require approximately a 200 - 300% increase in paperwork for Colleges and the VA, 2.) the paper flow would concentrate in the VARO's at the beginning of each term causing a massive paperwork overload, 3.) Veterans would not receive break pay until six to eight weeks into the subsequent term, which means the disruption in the flow of checks and their inability to pay tuition at the beginning of the term. This concept has been under study by the Administrator's Educational Advisory Committee for more than a year, and was recently resubmitted to the subcommittee for further study and analysis.

Attatched as Appendix A is a concept that may merit study and consideration.

If I can be of assistance in providing additional information or explanations, please contact me.

Thank you for the opportunity to communicate our concerns.

Sincerely,

Edward C. Keiser
Past President

ECK:mm

University of Cincinnati

Veterans Affairs Office

120 Old Commons (#121)
Cincinnati, Ohio 45221

Proposal for
The Certification and Payment of Chapter 30 Educational Benefits
Submitted by

Edward C. Keiser

Because of the over regulation of past GI Bills and the current problems and issues, the following proposal is submitted from the prospective of an efficient and cost effictive administration of Chapter 30 educational benefits.

Chapter 30

I. When an eligible Veteran applies, is admitted and matriculated at an accredited and approved institution of higher education, have the University certify admittance and forward pay ($1,200 reimbursement of participants contribution) to pay first term educational costs.

II. At the conclusion of the term, quarter or semester, the college or university would certify the Veteran for the credit hours completed (punative: those credits that count in the GPA) and apply towards a degree.

III. This procedure would be retroactive certification based on completed credit hours that count towards the GPA and the degrees. For example, assuming full time or half time completion the student would be paid as follows:

Quarter System

12 credit hours (full time) x three months = $900

6 credit hours (part time) x three months = $450

Semester System

12 credit hours (full time) x four months = $1200

6 credit hours (part time) x four months = $600

Note: 9 credit hours would equate to 3/4 pay while 3 hours would equate to 1/4 pay.

IV. Advantages:

1. The veteran is reimbursed their initial $1,200 contribution up front to pay first term cost.

2. Certification of credits earned at conclusion of term results in (a) no overpayment, (b) Veteran responsible of their completion of the term, (c) this model is similar to the business or industrial model of reimbursement after completion.

3. The Veteran who does not complete credits will not be eligible to receive future reimbursements until they have completed a future term and earned appropriate credits.

V. Certification after the term would reflect what the Veteran achieved and would eliminate all the issues of pursuit, seat-time, standard class sessions overpayments for withdrawals (nonpunative grades) and all overpayments.

VI. The cost of issuing checks, postage etc., would be significantly reduced, 3 or 4 checks per year as opposed to 9 or 12 checks per year.

VII. There could be a significant reduction in VA personnel and in the maintenance, revisions and distributions of complex regulations.

VIII. The change in philosophy to designate the initial $1,200 as reimbursement of initial contribution to the individual is critical. It cannot be classified as an overpayment.

IX. This concept could be modified to apply to OJT, correspondence and NCD courses.

While I understand that this concept of certification and payment of educational benefits is significantly different from current practices, Chapter 30 provides the opportunity for innovative and cost effective implementation of a new concept for the payment of benefits. GI Bill educational benefits are earned entitlement as opposed to Pell Grant benefits. GI Bill benefits are extremely over regulated, often causing great inequities for Veterans, as opposed to Pell Grant recipients who are not exposed to complex overregulations.

Please contact me if further information might be useful.

Sincerely,

Edward C. Keiser

ECK:mm

OPENING STATEMENT OF
THE HONORABLE TOM DASCHLE
NOVEMBER 21, 1985 REVIEW OF THE IMPLEMENTATION OF THE NEW GI BILL

GOOD MORNING. I WANT TO WELCOME ALL OF YOU HERE THIS MORNING AS WE CONTINUE OUR HEARINGS ON THE NEW GI BILL. ON TUESDAY, OUR EMPHASIS WAS ON THE EDUCATIONAL ASSISTANCE PROGRAM PROVIDED BY PUBLIC LAW 98-525 FOR THE ACTIVE DUTY MEMBERS OF OUR ARMED FORCES. TODAY, WE WILL PRIMARILY REVIEW THE NEW EDUCATION PROGRAM ESTABLISHED FOR MEMBERS OF THE NATIONAL GUARD AND SELECTED RESERVE.

THE NATIONAL GUARD AND RESERVES ARE IMPORTANT COMPONENTS OF THE TOTAL FORCE POLICY FOR OUR NATIONAL DEFENSE. THEY ARE THE INITIAL AND PRIMARY SOURCE FOR AUGMENTATION OF THE ACTIVE FORCES IN ANY FUTURE EMERGENCY REQUIRING A RAPID AND SUBSTANTIAL EXPANSION OF THE ACTIVE FORCES. AS SUCH, IT IS CRITICAL THAT THE GUARD AND RESERVES STAY FULLY MANNED BY HIGH QUALITY PERSONNEL. IT IS THE VIEW OF THIS COMMITTEE THAT THE AVAILABILITY OF THE NEW GI BILL WILL ENABLE THE GUARD AND RESERVES TO ACHIEVE THIS GOAL.

THE SO-CALLED CHAPTER 106 PROGRAM BECAME EFFECTIVE ON JULY 1ST OF THIS YEAR. UNLIKE THE ACTIVE DUTY PROGRAM, GUARDSMEN AND RESERVISTS WHO COMPLETED CERTAIN ELIGIBILITY REQUIREMENTS PRIOR TO THE IMPLEMENTATION OF THE PROGRAM AND WHO JULY 1ST OR LATER REENLISTED OR EXTENDED FOR SIX YEARS MAY BEGIN USING THEIR EDUCATION BENEFITS.

THERE ARE ALREADY 6,700 CHAPTER 106 ELIGIBLES ENROLLED IN SCHOOL UNDER THE NEW GI BILL. I THINK THIS INDICATES A SUBSTANTIAL INTEREST IN THE PROGRAM BUT, WITH APPROXIMATELY 400,000 GUARDSMEN ALONE ELIGIBLE FOR CHAPTER 106 BENEFITS, I EXPECT THE NUMBER OF PARTICIPANTS TO INCREASE DRAMATICALLY.

OPENING STATEMENT OF THE
HONORABLE BOB MCEWEN

THANK YOU, MR. CHAIRMAN.

I WOULD LIKE TO REITERATE MY EXPRESSIONS OF RESPECT AND APPRECIATION FOR HOLDING THESE OVERSIGHT HEARINGS ON THE NEW GI BILL.

IN ADDITION, I WANT TO JOIN WITH YOU IN WELCOMING THOSE WHO WILL BE PARTICIPATING IN TODAY'S HEARING. THEIR RECOMMENDATIONS AND COMMENTS DESERVE OUR STUDY AND ATTENTION. IT IS IN THIS SPIRIT OF COOPERATION THAT WE WANT TO UNDERSCORE OUR SUPPORT FOR THIS IMPORTANT EFFORT, AND OUR WLLINGNESS TO CONSIDER THE GOOD COUNSEL AND OPINIONS OF THOSE HERE TODAY.

THANK YOU, MR. CHAIRMAN.

STATEMENT OF
R. J. VOGEL
CHIEF BENEFITS DIRECTOR
VETERANS ADMINISTRATION
BEFORE THE
SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT
COMMITTEE ON VETERANS' AFFAIRS
HOUSE OF REPRESENTATIVES
NOVEMBER 21, 1985

Mr. Chairman and members of the Subcommittee, I am pleased to be here today to brief you on the progress of our implementation of the new education programs brought about by Public Law 98-525, which was signed on October 19, 1984. These programs are commonly referred to as the New G.I. Bill (chapter 30 of title 38, United States Code) and the Selected Reserve Educational Assistance Program (chapter 106 of title 10, United States Code).

While both programs were effective on July 1, 1985, we will see few trainees in the chapter 30 program until Fiscal Year 1987 when those with two-year enlistments will start being discharged and when those with longer enlistments become eligible for in-service training. Thus, our primary emphasis to date has been in preparing for the chapter 106 program. At the outset, we knew we were going to have potentially eligible trainees as soon as the program became effective.

Chapter 106

I would first like to talk about the chapter 106 program and what we have done in that area. Our basic instructions for the regional offices were published in May 1985 and detailed the eligibility criteria for the program, outlined agency responsibilities and presented a processing overview. In June 1985 we distributed application procedures for processing of chapter 106 claims. By the July 1, 1985 start-up date, every regional office was ready to process benefits. During the summer we had a series of hotline conferences with all of our field stations and answered processing inquiries at that time. In addition, we are in the final stages of drafting the proposed chapter 106 regulations.

As I mentioned, our new administrative issues provide information and instructions about application for the program. Instructions on our form direct an applicant to submit to the VA regional office a completed application, accompanied by a Notice of Basic Eligibility (issued by the individual's reserve unit) and an instruction sheet signed by his or her commanding officer. This certifies the member's satisfactory participation in required training.

As expected, we received applications for benefits as soon as the program went into effect. As of November 1, 1985, there were already 6,669 payees in our system. These numbers exceed our original expectations for the program in its early stages.

In order to monitor the chapter 106 eligibles, our processing system makes use of a periodic tape exchange with the Defense Manpower Data Center (DMDC). This tape exchange identifies reservists who are receiving chapter 106 educational assistance. The DMDC matches the VA tapes against its records in order to verify the reservists' eligibility, as well as other identifying data. After doing this, the DMDC will provide us with new or corrected data on periodic tapes. These tapes will include eligibility termination transactions for reservists previously certified as eligible, but who subsequently become ineligible for chapter 106 benefits for failure to meet Reserve requirements.

Chapter 30

Mr. Chairman, I would now like to review the progress of our implementation of the New G.I. Bill, chapter 30. As I indicated earlier, the chapter 30 program should not have any significant number of trainees until 1987. We have been meeting with program officials in the Department of Defense on how best to implement this new program. In that respect, Mr. Chairman, I would just like to say in passing that we have found the Department of Defense to be very cooperative. For the New G.I. Bill to become a successful program and to remain a successful program, we will continue to need DOD's assistance and cooperation.

With regard to our publications for the New G.I. Bill, by March 1, 1985, we had a completed draft of the basic instructions written. This draft was then circulated for comments and concurrences. The final copy of the basic circular was printed on July 16, 1985. In addition, we are in the final stages of drafting the proposed chapter 30 regulations.

Work is now progressing on an appendix to the basic circular. This instruction will get more involved in the nuts and bolts of actual automated processing. However, should there be any chapter 30 trainees prior to 1987 (because of a discharge for disability or hardship reasons), we have instructed our regional offices to process the application manually.

Mr. Chairman, I would like to bring to your attention a new concept in benefits processing that we have been considering. In November of 1984, the Administrator directed the Department of

Veterans Benefits to come up with a way to eliminate paper claims folders. Since Public Law 98-525 had just been enacted, creating a new education benefit program, we were given the task of bringing up the chapter 30 program without creating paper claims folders. A task force was established to look into alternatives. The task force decided on the use of optical disk storage as an alternative filing system. This concept has become a major part of the DVB Modernization Plan which was approved by the Administrator in June 1985. If such a system works for chapter 30 processing, we would want to replicate it in other benefit programs.

Outreach

As might be expected, the educational community has shown a great deal of interest in the new education programs. At the Central Office level, our education people have provided briefings on the New G.I. Bill and the chapter 106 program to representatives of the major educational associations and interest groups.

At Central Office, we have received many inquiries about the chapter 106 program from National Guard and Reserve units. At the field station level, a number of field stations have briefed or plan to brief their local Guard and Reserve units about the chapter 106 program.

In a further effort to keep everyone well-informed about the new education program, we did some outreach work at the Directors' Conference that was held about a month ago in New Orleans. Each Director was given a handout. The handout contained talking points for both the chapter 106 and the chapter 30 programs. In addition, the Directors and their management teams were given computer diskettes in order to obtain their chapter 30 and chapter 106 data from the central computer system.

To summarize, Mr. Chairman, we are on schedule with our implementation of the new G.I. Bill. As for chapter 106, that program is off and running. I believe we were ready for it, since we did devote our greatest efforts in that direction. We will continue to monitor the chapter 106 program with an eye to fine tuning it as appropriate.

Mr. Chairman, that concludes my statement. I would be pleased to answer any questions you or other members of the Subcommittee may have.

Office of the Chief
Benefits Director
Washington, D.C. 20420

Veterans
Administration

FEB 19 1986

FEB 18 1986

In Reply Refer To:
225A

Honorable Thomas A. Daschle
Chairman, Subcommittee on
Education, Training and Employment
Committee on Veterans' Affairs
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

This is in further reply to certain requests for information in connection with the November 21, 1985 hearing on the New GI Bill and the Selected Reserve Educational Assistance Program.

The Subcommittee asked for a report breaking down participation in the chapter 106 program by state and by branch of service. We are enclosing this report. The data in the report are through December 16, 1985. In the future, this information will be available monthly and on a cumulative basis.

In addition, the Subcommittee wanted a report on the progress of the new form and the availability of it. In that regard, the revised VA Form 22-1990, December 1985 edition, has been printed and is now in the VA depot in Alexandria, Virginia. The depot is distributing the application forms to our regional offices. A copy of the form is enclosed as requested.

A total of 1.5 million application forms have been printed. Initial distribution to all of our field stations is now being made. Stations may order additional forms from the VA depot.

Regional offices are responsible for providing these forms to schools and training establishments within their jurisdiction. We have instructed stations to notify Selected Reserve units within their jurisdiction that this application is available through regional offices and schools.

2.

Honorable Thomas A. Daschle

I appreciate this opportunity to provide you with this information. A similar letter has been furnished to Representative Bob McEwen.

Sincerely yours,

R. J. VOGEL
Chief Benefits Director

Enclosures

RESERVISTS EVER TRAINED UNDER CHAPTER 106
CHAPTER 106 DATA FILE AS OF DECEMBER 16 1985

LOCATION OF REGIONAL OFFICE	ARMY RESERVE	NAVY RESERVE	MARINE RESERVE	COAST GUARD RESERVE	AIR FORCE RESERVE	ARMY NATIONAL GUARD	AIR NATIONAL GUARD	TOTAL BY STATE
ALABAMA	252	34	16	5	71	248	85	711
ALASKA	.	.	.	.	.	2	10	12
ARIZONA	46	18	5	.	33	31	37	170
ARKANSAS	105	10	1	.	16	182	17	331
CALIFORNIA	74	59	5	9	155	40	59	401
COLORADO	11	6	.	1	7	9	12	46
CONNECTICUT	8	6	.	.	3	84	29	130
DELAWARE	10	2	.	.	7	6	9	34
DISTRICT OF COLUMBIA	10	7	.	1	7	4	.	29
FLORIDA	51	23	5	.	32	8	4	123
GEORGIA	53	9	2	.	25	1	3	93
HAWAII	20	3	.	.	9	15	7	54
IDAHO	29	5	.	1	2	59	37	133
ILLINOIS	139	10	6	.	93	104	37	389
INDIANA	34	12	.	.	19	84	47	196
IOWA	45	10	4	.	4	110	32	205
KANSAS	49	11	.	.	17	63	49	189
KENTUCKY	46	13	.	2	1	85	24	171
LOUISIANA	130	21	6	.	41	102	22	322
MAINE	69	10	1	.	20	.	1	101
MARYLAND	47	11	1	.	22	20	5	106
MASSACHUSETTS	46	10	1	1	29	145	30	262
MICHIGAN	85	11	10	1	15	33	24	179
MINNESOTA	89	12	4	.	32	118	42	297
MISSISSIPPI	115	11	3	.	14	68	16	227
MISSOURI	152	29	1	.	50	61	15	308
MONTANA	18	13	2	.	.	74	31	138
NEBRASKA	86	15	.	.	6	249	85	441
NEVADA	5	2	.	.	10	9	27	53
NEW HAMPSHIRE	8	3	.	.	4	11	1	27
NEW JERSEY	28	1	.	.	12	13	3	57
NEW MEXICO	16	4	.	.	4	23	27	74
NEW YORK	102	11	3	.	24	15	9	164
NORTH CAROLINA	169	11	2	1	20	36	6	245
NORTH DAKOTA	34	6	.	.	1	287	71	399
OHIO	41	11	1	3	53	224	318	651
OKLAHOMA	108	9	.	.	21	186	32	356
OREGON	47	14	1	.	10	85	28	185
PENNSYLVANIA	91	20	.	.	63	25	10	209
PUERTO RICO	2	.	1	.	.	5	2	10
RHODE ISLAND	23	11	3	.	2	32	18	89
SOUTH CAROLINA	94	18	2	.	42	121	30	307
SOUTH DAKOTA	3	2	.	.	.	158	25	188
TENNESSEE	97	23	.	.	29	75	32	256
TEXAS	172	38	9	1	97	13	14	344
UTAH	39	3	.	.	46	225	72	385
VERMONT	3	.	.	.	.	6	8	17
VIRGINIA	35	19	.	1	4	44	1	104
WASHINGTON	56	34	3	5	41	41	39	219
WEST VIRGINIA	28	9	1	.	9	55	19	121
WISCONSIN	114	17	1	.	18	99	63	312
WYOMING	8	.	.	.	.	37	24	69
	============	============	============	============	============	============	============	============
	3142	647	99	32	1240	3830	1648	10637

281

Form Approved
OMB No. 2900-0154

Veterans Administration

APPLICATION FOR EDUCATION BENEFITS

(Under chapter 30, 32, 34, title 38, U.S.C., section 903, Public Law 96-342, or chapter 106, title 10, U.S.C.)

NOTE: THIS FORM MUST BE SIGNED AND DATED IN ITEM 19 TO RECEIVE BENEFITS.

IMPORTANT: This is an application to be used by servicepersons, veterans, and reservists to apply for the following VA education benefits: GI bill (chapter 34), VEAP (chapter 32), Non-Contributory VEAP (section 903), New GI bill – Active Duty Educational Assistance Program (chapter 30), and New GI bill – Selected Reserve Educational Assistance Program (chapter 106). Before completing this form, carefully read all of the information on the attached sheets. Type or print responses in ink. If you need additional space, attach separate sheets and key your responses to item numbers. You must complete Part I of this form. If you are on active duty, your Education Services Officer and your Commanding Officer must complete Part II.

PART I—APPLICANT

1. NAME OF APPLICANT *(First, middle, last)*

2. SEX ☐ MALE ☐ FEMALE

3. VA FILE NUMBER *(If known)*

4. MAILING ADDRESS *(Number and street or rural route, city or P.O., State and Zip Code)*

5. DATE OF BIRTH *(Month, day, year)*

6. SOCIAL SECURITY NUMBER

7A. HOME TELEPHONE NUMBER *(Include Area Code)*

7B. WORK TELEPHONE NUMBER *(Include Area Code)*

8. VA OFFICE WHERE RECORDS ARE LOCATED *(If known)*

9. FOR ADMINISTRATIVE PURPOSES, PLEASE PROVIDE THE NAME AND ADDRESS OF SOMEONE WHO WILL ALWAYS KNOW WHERE YOU CAN BE REACHED

10. VETERANS ADMINISTRATION BENEFITS YOU PREVIOUSLY APPLIED FOR

☐ A. VETERANS' EDUCATIONAL ASSISTANCE
☐ B. SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE *(If checked, complete Items 10G and 10H)*
☐ C. DISABILITY COMPENSATION OR PENSION
☐ D. VOCATIONAL REHABILITATION
☐ E. NONE
☐ F. OTHER *(Specify)*

COMPLETE ONLY IF ITEM 10B IS CHECKED ▶

10G. NAME OF PARENT

10H. PARENT'S FILE NUMBER

11. EDUCATION BENEFIT YOU ARE APPLYING FOR *(NOTE: Refer to EDUCATION BENEFIT PROGRAMS in the attached information and instructions)*

☐ A. GI BILL (CHAPTER 34) — SERVICE BEGINNING BEFORE JANUARY 1, 1977
☐ B. VEAP (CHAPTER 32)/NON-CONTRIBUTORY VEAP (SECTION 903) — SERVICE BEGINNING ON OR AFTER JANUARY 1, 1977, THROUGH JUNE 30, 1985
☐ C. NEW GI BILL — ACTIVE DUTY EDUCATIONAL ASSISTANCE PROGRAM (CHAPTER 30) — SERVICE BEGINNING ON OR AFTER JULY 1, 1985, THROUGH JUNE 30, 1988
☐ D. NEW GI BILL — SELECTED RESERVE EDUCATIONAL ASSISTANCE PROGRAM (CHAPTER 106) *(If checked, attach your Notice of Basic Eligibility)*

12. ACTIVE DUTY SERVICE INFORMATION

NOTE: Attach a copy of your DD Form 214 for each period of active duty service you completed. Complete Items 12A through 12E for any period for which you cannot attach a DD Form 214. In all instances, you must complete Item 12G.

DATE ENTERED ACTIVE DUTY A	DATE SEPARATED FROM ACTIVE DUTY B	SERVICE NUMBER *(Prefix and Suffix)* C	BRANCH OF SERVICE D	GRADE OR RANK AT SEPARATION OR DISCHARGE E

F. IF YOUR SERVICE BEGAN AFTER DECEMBER 31, 1976, DID YOU ENLIST BEFORE JANUARY 1, 1977, UNDER A DELAYED ENTRY PROGRAM?

☐ YES ☐ NO *(If "Yes," attach a copy of your enlistment contract, training agreement, or military orders dated before January 1, 1977, that directed you to enter active duty service)*

PRESENT MILITARY STATUS ▶

G. ARE YOU NOW ON ACTIVE DUTY? ☐ YES ☐ NO *(If "Yes," complete Items 12H and 12I)*

H. HAVE YOU COMPLETED YOUR FIRST OBLIGATED PERIOD OF SERVICE? ☐ YES ☐ NO

I. SERVICE BRANCH

13. MILITARY SERVICE ACADEMIES

A. NAME OF ACADEMY

☐ USMA - WEST POINT
☐ USNA - ANNAPOLIS
☐ USCGA - NEW LONDON
☐ USAFA - COLORADO SPRINGS

B. DATES ATTENDED	
FROM	TO

C. DEGREE RECEIVED

VA FORM DEC 1986 **22-1990**

SUPERSEDES VA FORMS 22-1990, [illegible] 22-1990a, FEB. 1983, 22-8821, OCT. 1983, AND 22-8871, [illegible], WHICH WILL NOT BE USED.

(Continued on Reverse)

14. CIVILIAN AND MILITARY EDUCATION *(Do not repeat education shown in Item 13)*

A. GIVE HIGHEST ELEMENTARY OR HIGH SCHOOL GRADE COMPLETED	B. IF YOU DID NOT GRADUATE, DO YOU HAVE A HIGH SCHOOL EQUIVALENCY DIPLOMA? ☐ YES ☐ NO

C. NAME OF COLLEGE OR OTHER SCHOOL CITY AND STATE	DATES ATTENDED		CREDIT HOURS		DEGREE RECEIVED	NAME OR DESCRIPTION OF COURSE OF STUDY
	FROM	TO	SEMESTER	QUARTER		

D. NAME OF APPRENTICESHIP OR OTHER ON-THE-JOB TRAINING COURSE	E. DATES OF TRAINING		F. PLACE OF TRAINING
	FROM	TO	

G. HAVE YOU EVER HELD A LICENSE TO PRACTICE A PROFESSION OR JOURNEYMAN RATING TO WORK AT A TRADE? *(Examples: electrician, radio operator, teacher, lawyer, CPA, bricklayer, FAA Certificate, etc.)* ☐ YES ☐ NO *(If "Yes," complete Items 14H and 14I)*	H. NAME OF LICENSE OR JOURNEYMAN RATING	I. STATE IN WHICH HELD

15. NON-MILITARY OCCUPATIONS *(Do not complete Items 15C and 15D if on active duty)*

A. PRINCIPAL OCCUPATION BEFORE ENTERING MILITARY SERVICE	B. NUMBER OF MONTHS EMPLOYED IN THAT OCCUPATION
C. PRINCIPAL OCCUPATION AFTER LEAVING MILITARY SERVICE	D. NUMBER OF MONTHS EMPLOYED IN THAT OCCUPATION

16. PROGRAM OF EDUCATION AND ENROLLMENT INFORMATION

NOTE: If found eligible for benefits, professional VA Counseling is available to help you plan your educational or vocational program. Contact your VA regional office for further information.

A. IF YOU KNOW THE PROGRAM YOU WANT, WHAT IS THE FINAL EDUCATIONAL, PROFESSIONAL OR VOCATIONAL GOAL YOU PLAN TO REACH THROUGH THE PROGRAM FOR WHICH YOU ARE APPLYING? *(Highest degree or occupation)*	B. IF YOU HAVE SELECTED YOUR PROGRAM, DESCRIBE THE COURSE OF STUDY YOU WILL BE TAKING *(List each diploma and specific degree or vocational course)*
C. EDUCATION OR TRAINING WILL BE BY ☐ SCHOOL ATTENDANCE ☐ CORRESPONDENCE ☐ APPRENTICESHIP OR ON-THE-JOB ☐ FARM COOPERATIVE ☐ INDEPENDENT STUDY	D. NAME AND ADDRESS OF SCHOOL OR TRAINING ESTABLISHMENT

E. DATE YOUR PROGRAM WILL BEGIN *(Month, day, year)*	F. DO YOU PLAN TO TAKE ANY REFRESHER COURSES? *(Not applicable to the chapter 30 and chapter 106 programs)* ☐ YES ☐ NO *(If "Yes," list refresher course(s) by name and number and give your reasons for needing such training in Item 18, "Remarks".)*

G. DO YOU EXPECT TO RECEIVE NON-VA EDUCATIONAL BENEFITS FROM THE ARMED FORCES OR THE PUBLIC HEALTH SERVICE DURING THIS PERIOD OF EDUCATION?

☐ YES ☐ NO *(If "Yes," furnish full details in Item 18, "Remarks".)*

H. IF YOU ARE NOT ON ACTIVE DUTY AND ARE AN EMPLOYEE OF THE U.S. GOVERNMENT, DO YOU EXPECT TO RECEIVE EDUCATIONAL BENEFITS UNDER THE GOVERNMENT EMPLOYEES' TRAINING ACT DURING THIS PERIOD OF EDUCATION?

☐ YES ☐ NO *(If "Yes," furnish full details in Item 18, "Remarks".)*

I. IF YOU ARE APPLYING FOR THE CHAPTER 106 PROGRAM, HAVE YOU RECEIVED OR EXPECT TO RECEIVE FINANCIAL ASSISTANCE UNDER A RESERVE OFFICERS TRAINING CORPS SCHOLARSHIP PROGRAM?

☐ YES ☐ NO *(If "Yes," furnish full details in Item 18, "Remarks".)*

17. MARITAL STATUS AND DEPENDENCY INFORMATION

NOTE: Complete the items in this section only if you entered active duty before January 1, 1977, or if you checked "Yes" in Item 12F

A. ARE YOU PRESENTLY MARRIED?

☐ YES ☐ NO *(If "Yes," and not on active duty, submit VA Form 21-686c along with the marital evidence described on that form)*

B. DO YOU HAVE ANY UNMARRIED CHILDREN WHO ARE (A) UNDER AGE 18; (B) OVER AGE 18 BUT UNDER AGE 23 AND ATTEND SCHOOL; OR (C) OF ANY AGE AND ARE PERMANENTLY HELPLESS FOR MENTAL AND PHYSICAL PURPOSES?

☐ YES ☐ NO *(If "Yes," and not on active duty, submit VA Form 21-686c along with the evidence described on that form to establish your relationship to each child you claim. Also, submit a VA Form 21-674 for each child you claim who is over age 18 but under age 23 and is attending school)*

C. IS EITHER YOUR FATHER OR MOTHER DEPENDENT ON YOU FOR SUPPORT?

☐ YES ☐ NO *(If "Yes," and not on active duty, submit VA Form 21-509 and a certified copy of the public record of your birth)*

18. REMARKS

I CERTIFY THAT all statements in my application are true and complete to the best of my knowledge and belief. I CERTIFY THAT I understand the information contained in "Responsibilities of Beneficiaries" and "Restrictions on Education Benefits" on the attached sheet and that I will comply with them to the best of my ability. If I request counseling, I authorize release of school and testing records to the VA for use in counseling me and supervising my program of education or training.

19A. SIGNATURE OF APPLICANT *(Do not print)* SIGN HERE IN INK ▶	19B. DATE SIGNED

PENALTY: Willfully false statements as to a material fact in a claim for education is a punishable offense and may result in the forfeiture of these or other benefits and in criminal penalties.

PART II—CERTIFICATIONS FOR PERSONS ON ACTIVE DUTY

NOTE: Part II does not apply if you are in the Reserves.

20. ARMED FORCES EDUCATION SERVICES OFFICER'S CERTIFICATION

I CERTIFY THAT this individual has counseled with me regarding his/her education program.

A. SIGNATURE AND TITLE OF EDUCATION SERVICES OFFICER *(Branch of service)*	B. DATE SIGNED

21. COMMANDING OFFICER'S CERTIFICATION OF SERVICE

I CERTIFY THAT the records of this individual, who is under my command, are correct, and I verify the accuracy and completeness of the service and type of discharge or separation shown in Items 12A through 12I; the entries in Items 13A through 13C, and military education in Item 14C.

AND, that of the active duty shown above, the following period(s) reflect:

a. Fulltime assignment by a service department to a civilian school *(e.g. Operation Bootstrap)* for a course of education substantially the same as established courses for civilians;

b. Time served under the provisions of Title 10 U.S.C., Section 511(d) *(Reserve or National Guard active duty for training)*;

c. Non-creditable time. *(Time lost because of industrial or agricultural furlough, under arrest without acquittal, AWOL, desertion, undergoing sentence of court-martial, etc.)*

FROM *(Month, day, year)*	TO *(Month, day, year)*	SPECIFY WHETHER SCHOOLING, RESERVE, OR TIME LOST *(If none, write "NONE")*

22A. SIGNATURE OF COMMANDING OFFICER OR DESIGNEE	22B. UNIT	22C. DATE SIGNED

EDUCATION BENEFIT PROGRAMS

The following briefly describes the programs of education benefits for which this application is to be used. If you know which education benefit program you are applying for, you need to read only the information pertaining to that program.

NEW GI BILL—SELECTED RESERVE EDUCATIONAL ASSISTANCE PROGRAM—CHAPTER 106

1. If you are an enlisted person, you may be eligible if you enlisted, reenlisted, or extended an enlistment in the Selected Reserve for a period of at least 6 years during the period beginning July 1, 1985, through June 30, 1988.

2. If you are an officer, you may be eligible if you were appointed as or are serving as a reserve officer and agree to serve in the Selected Reserve for at least 6 years during the period beginning July 1, 1985, through June 30, 1988. This 6-year commitment is in addition to any other obligated period of service in the Selected Reserve that you may have.

3. You must have completed your initial period of active duty for training if you had no prior active duty service.

4. You must have completed 180 days of service in the Selected Reserve (either before or after July 1, 1985).

5. You must be satisfactorily participating in the Selected Reserve.

6. You must have a high school diploma or equivalency certificate. However, you must not have completed a bachelors' degree or equivalent program.

VEAP (Post-Vietnam Era Veterans' Educational Assistance Program)—CHAPTER 32

1. You may be eligible if you entered active military service at any time during the period January 1, 1977, through June 30, 1985.

2. You must have served on active duty for at least 181 days. If you were discharged for a service-connected disability with less than 181 days service, you may still be eligible.

3. If you enlisted for the first time after September 7, 1980, or if you entered (including reenlisted) on active duty after October 16, 1981, you must have completed either 24 continuous months of active duty or the full period for which you were called or ordered to active duty, whichever is less.

4. If you are on active duty, you must have completed your first obligated period of active duty or 6 years, whichever is less.

5. You must have contributed to VEAP while on active duty.

6. You may be eligible under Noncontributory VEAP, section 903, if you were selected by your branch of service to participate in this program. If you were selected, the Department of Defense made the contributions for you. You must have enlisted or reenlisted for active duty service after November 30, 1980, and before October 1, 1981. (If you contracted under a delayed entry program during this period, you must have entered active duty before October 1, 1982.) For more information on this program, contact the nearest VA regional office, or, if you are on active duty, contact your Education Services Officer.

NEW GI BILL—ACTIVE DUTY EDUCATIONAL ASSISTANCE PROGRAM—CHAPTER 30

1. You may be eligible if you first entered on active duty during the period beginning July 1, 1985, through June 30, 1988. You must have served at least:

   a. 2 years of honorable continuous active duty if your first obligated period of service was less than 3 years or if you are now on active duty; or

   b. 3 years of honorable continuous active duty if your initial obligated period of service was 3 years or more; or

   c. 2 years of honorable continuous active duty followed by 4 years of continuous active duty in the Selected Reserve with satisfactory participation in training.

2. Alternatively, you may be eligible for chapter 30 benefits after December 31, 1989, if:

   a. You entered active duty before January 1, 1977 (or contracted under a delayed entry program before January 1, 1977, and entered active duty before January 2, 1978); and

   b. You served continuously on active duty for at least 3 years after June 30, 1985; or for at least 2 years after that date if you then served continuously for at least 4 years in the Selected Reserve with satisfactory participation in training. Your active duty service may begin at any time during the period beginning July 1, 1985, and ending June 30, 1988.

3. If you were discharged or released for a service-connected disability, hardship, or convenience of the government, you may still be eligible even if you did not serve the minimum lengths of time described above, whichever is applicable.

4. If you entered on active duty for the first time on or after July 1, 1985, your military pay must have been reduced by $100 each month for the first 12 months of your active duty service.

5. You must have received a high school diploma or its equivalent before completing the required service.

GI BILL—CHAPTER 34

1. You may be eligible if you had active military service at any time during the period from February 1, 1955, through December 31, 1976. Also, you may be eligible if you entered on active duty before January 2, 1978, provided that you contracted with the Armed Forces before January 1, 1977, under a delayed entry program.

2. You must have served on active duty for at least 181 days. If you were discharged for a service-connected disability with less than 181 days service, you may still be eligible.

3. If you had 18 months or more continuous qualifying service, you may receive 45 months of benefits. If you had less than 18 months of service, you may receive 1½ months of benefits for each month of active duty service.

4. You must use your entitlement within 10 years of your last discharge or release from active duty or by December 31, 1989, whichever is [redacted]. earlier.

RESPONSIBILITIES OF BENEFICIARIES

1. If you reduce or terminate your school attendance or training, or otherwise change your enrollment, inform the certifying official of your school or training establishment to notify the VA immediately. You are responsible for making sure that the certifying official notifies the VA of any such changes in your enrollment. You will be responsible for any overpayment of benefits resulting from these changes.

2. If you withdraw from a course or if you complete a course but receive a grade that does not count toward graduation, you should furnish reasons why you did not complete the course or why you received a grade for the course which did not count toward graduation. If you do not furnish acceptable reasons, you may have to repay all education benefits you received for these course(s).

3. If your education benefits under chapter 34 or under chapter 30 (on or after January 1, 1990) include additional allowance for dependents, promptly notify the VA of any changes in the number or marital status of these dependents.

4. If you are receiving benefits under the New GI bill—Selected Reserve Educational Assistance Program (chapter 106), notify the VA of any change in your status in the Selected Reserve.

5. Promptly notify the VA and your school of a change in your educational program. A change of program is a change of your educational, professional, or vocational objective if the experience and/or credits accumulated in the program you are pursuing can not be transferred to your new program.

a. You are permitted one optional change of program if your progress and conduct in your previous training were satisfactory.

b. A second change may be approved by the VA if the program is found to be suitable to your aptitudes, interests, and abilities.

c. Additional changes of program, beyond the second change, will be considered only if you show that the additional change is required because of circumstances beyond your control.

6. Promptly notify the VA of any change in your address. Include your ZIP Code.

7. Periodically we will verify your continued enrollment. If you receive a form to certify your attendance or training, you and your school or training establishment must complete the form for your benefits to continue if you are in school or training.

RESTRICTIONS ON EDUCATION BENEFITS

1. You may receive benefits only for courses approved for payment of veterans benefits. The courses you take must lead to an educational, professional, or vocational objective for which you are not already qualified.

2. Programs for a recreational or an avocational purpose such as dancing or courses in bartending or personality development will not be approved.

3. You may not receive benefits for courses which you have previously taken and successfully completed.

4. You are prohibited from receiving education benefits for auditing a course or for any course when the grade for the course is not used to compute graduation requirements.

5. You may not receive benefits if you fail to maintain satisfactory progress or conduct. Counseling by the VA may be required if you reenter training following an interruption because of unsatisfactory progress or conduct.

6. If you are receiving benefits under the New GI bill—Selected Reserve Educational Assistance Program (chapter 106), you must participate satisfactorily in the Selected Reserves for your eligibility to continue. If you fail to participate satisfactorily, you are not entitled to any benefits after the date your participation is determined to be unsatisfactory. Also, you may be required to refund a portion of any benefits already paid to you.

7. You may not receive benefits under the New GI bill—Selected Reserve Educational Assistance Program (chapter 106) if you are attending school at less than one-half time as determined by the VA.

8. Payment of benefits for an enrollment is prohibited in a proprietary school of which you are an owner, an official, or a certifying official.

9. A school is prohibited from cashing your checks under a power of attorney from you.

10. You may not be paid for any course or training paid for under the Government Employees' Training Act during any period you are receiving a full salary as an employee of the United States government. If you are on active duty, no VA education benefits are allowed for a course or other training paid for by the Armed Forces or by the Department of Health and Human Services.

11. You may not be paid benefits under the New GI bill—Selected Reserve Educational Assistance Program (chapter 106) if you are receiving financial assistance in a Senior ROTC (Reserve Officers Training Corps) Scholarship program.

12. Benefit payments are subject to reduction or termination if you are incarcerated in a Federal, State, or local correctional facility and your tuition and fees are being paid in whole or in part by a Federal, State, or local program.

13. If you have entitlement under more than one VA education program (including chapter 31, Vocational Rehabilitation, and chapter 35, Survivors' and Dependents' Educational Assistance Program), the maximum combined entitlement you may receive is generally 48 months.

14. If you enroll in an institution of higher learning for the purpose of obtaining a degree, you must be formally admitted as a degree-seeking student by the end of your second term.

PLEASE DETACH AT PERFORATION AND RETAIN THIS INFORMATION FOR FUTURE REFERENCE

INFORMATION AND INSTRUCTIONS FOR COMPLETING THE APPLICATION FOR EDUCATION BENEFITS

PRIVACY ACT INFORMATION: No benefits may be paid unless a completed application has been received (38 U.S.C. 1671). The information requested on this form is necessary to determine your eligibility to education benefits. The responses you submit are considered confidential (38 U.S.C. 3301), and may be disclosed outside the VA only if the disclosure is authorized under the Privacy Act, including the routine uses identified in the VA system of records, 58VA21/22/28, Compensation, Pension, Education and Rehabilitation Records—VA, published in the Federal Register.

HOW TO APPLY FOR BENEFITS

1. PART I: Complete Part I of this application to apply for any one of the education benefits indicated in Item 11 of this application. (See EDUCATION BENEFIT PROGRAMS within these instructions.)

2. PART II: If you are on active duty in the Armed Forces, your education services officer and your commanding officer must complete PART II of this application. This does not apply if you are in the reserves.

3. CERTIFICATION OF ENROLLMENT: If you have selected a school or training establishment, request the certifying official of your school or training establishment to complete VA Form 22-1999, Enrollment Certification. Your school should send both this application and the enrollment certification to the VA.

4. ADVANCE PAYMENT: (Does not apply to the chapter 30 program.) You may receive an advance payment for the first month or partial month of your training plus the following month if you enroll in school on at least a halftime basis. To request an advance payment, contact the school you will attend. Advance payment checks are mailed to the school for delivery to you upon registration but no earlier than 30 days before classes begin.

5. ITEMS ON APPLICATION: Instructions relating to specific items on the application are discussed in SPECIFIC INSTRUCTIONS.

6. FURTHER ASSISTANCE: If you need assistance in completing this application or if you require further information on other VA benefits, contact the nearest VA regional office.

SPECIFIC INSTRUCTIONS

The instructions in this section are numbered to correspond to the items on the application.

ITEM 11D—If you are claiming benefits under the New GI bill—Selected Reserve Educational Assistance Program, attach a copy of your DD Form 2384, Notice of Basic Eligibility. This notice is issued to you by your reserve unit (for example, the Army Reserve or the Air National Guard) at the time you became eligible for the Selected Reserve Educational Assistance Program. If you are unable to obtain your copy, request your reserve unit to furnish you with a duplicate.

ITEM 12—Furnish proof of all periods of active military service which you completed as follows:

a. Furnish copy 4 of DD Form(s) 214 for each period of active military service which you completed on or after October 1, 1979. If you do not have copy 4, submit any other copy which you have.

b. Furnish the original of DD Form(s) 214 for each period of active military service which you completed before October 1, 1979. We will return original documents to you. If you have recorded the original document with a county recorder, you may submit a certified copy of the document instead.

ITEM 16C—Benefits are available for training as follows:

School Attendance—Available for all benefit programs shown in Item 11.

Correspondence—Available for chapter 32 and 34 and section 903 programs. (See NOTE below.)

Apprenticeship or on-the-job—Available for chapter 34 veterans only.

Farm Cooperative—Available for chapter 34 veterans only.

Independent Study—Available for chapter 32 and 34 and section 903 programs. A combination of residence and independent study is available for the chapter 30 and 106 programs.

NOTE: If you plan to enroll in a correspondence course or a combination correspondence-residence course, be sure the field of study is suitable to your abilities and interests before you sign a contract with the school. Information on correspondence courses is available at the nearest U.S. Veterans Assistance Center or VA regional office. The correspondence school may require you to pay for all or the majority of the course even though you complete only a portion of it.

You must affirm a contract for enrollment in a correspondence course more than 10 days after you sign the contract. You will not be authorized educational benefits for any lessons serviced by the school before the date you affirmed the contract. If you decide not to enroll in a correspondence course after signing a contract but before signing the affirmation, you are entitled to receive a full refund from the school of any payment made for the course.

STATEMENT BY

MAJOR GENERAL STUART H. SHERMAN, JR. USAF

DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR RESERVE AFFAIRS

(GUARD/RESERVE MANPOWER & PERSONNEL)

BEFORE THE

SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT

COMMITTEE ON VETERANS' AFFAIRS

UNITED STATES HOUSE OF REPRESENTATIVES

FIRST SESSION, 99TH CONGRESS

NOVEMBER 21, 1985

NOT FOR PUBLICATION
UNTIL RELEASED BY THE
HOUSE VETERANS' AFFAIRS
COMMITTEE

Mr. Chairman and members of the subcommittee:

It is a pleasure for me to appear before this Subcommittee on behalf of Assistant Secretary of Defense for Reserve Affairs Webb. As requested I will update you on our implementation of the new GI Bill for the Selected Reserve and talk briefly about our experience to date.

It is also a privilege for me to provide you with testimony alongside the leaders of the National Guard and Reserve components, who are, in fact, responsible for the implementation of our educational assistance programs within their respective services. Under their leadership we have continued to see the increased readiness of our Guard and Reserve. With the help of this committee and other congressional committees, we have seen continued improvement in the support for the reserve forces. We now have the mission and we have to be sure that when we are called upon, we get the job done.

Earlier this year we testified on the overall status of the reserve forces of the United States. At that time we stated that our reserve forces represented tremendously improved forces-in-being which were well on their way to being fully capable of responding when needed. This trend continues today with the new GI Bill for the Selected Reserve serving as one of the inducements to increasing the vitality of reserve component manpower. I will concentrate on the overall status of our implementation of the GI Bill for the Selected Reserve and defer to my colleagues for the particulars on each reserve component.

I am personally optimistic about the use and impact of the GI Bill in the reserves. As you know, this is a different program than it is on the active side. It is a straight entitlement program for those who meet the qualifications and agree to serve for six years. I am confident that it is going to attract and retain high quality Guard and Reserve members. Since we are only a few months into the program, however, it is still much too early to judge what the total impacts will be.

In discussing the GI Bill, as is the case in reviewing all incentives, we must focus on readiness and our future strength objectives. These objectives present some real challenges, challenges that we can meet if we are given the proper tools. The new GI Bill is such a tool and combined with other incentives and entitlements will provide a base to help support overall manning goals in the reserve components. One program is not a substitute for another. Together with our advertising and recruiting resources they combine to meet our needs for numbers, quality, skills, and distribution.

Our concern is twofold. The first is the ever increasing competition for personnel with the decline of the numbers of Americans between 18 - 24 and the improving economy. Since 1982, when the civilian economy began a prolonged expansion with the youth unemployment rate falling by 27 percent between 1982 and 1985, national economic and demographic trends have not favored reserve recruiting or retention. The ability of the reserve forces to improve retention and to increase the quality of incoming non-prior service personnel in the face of this improving economy must be attributed in large part to the increased resources granted by Congress and to the reserve components' own management initiatives. Secondly, the number of people leaving the active force overall is now declining due to a relatively constant active force size and higher retention rates.

Between 1982 and 1985, there was a 42 percent increase in the number of reserve recruiters. As a result, in the area of non-prior service recruiting, we have been able to offset the effects of the expanding civilian economy. In fiscal year 1985 recruiters and recruiter support accounted for 64% of total reserve recruiting and retention outlays. Advertising accounted for an additional 10% and enlistment bonuses accounted for 12%. Reenlistment bonuses, at 9%, were the fourth major category. Affiliation bonuses, educational assistance and the student loan repayment program, together, accounted for the remaining 5%.

For Fiscal Year 1986 we estimate that the Selected Reserve GI Bill will cost about $135 million in benefit payments which is roughly equivalent to our estimates for new and anniversary payments for targeted incentives. We project approximately 63,000 Selected Reservists will take advantage of the GI Bill in 1986 compared to about 97,000 particpants in the incentive programs. At this point, our projections of costs and participants for the Selected Reserve GI Bill remain estimates based only on our best judgment.

In Secretary Webb's testimony earlier this year we indicated that we did not have, as yet, a firm basis on which to project the use and its effects of the new GI Bill. We are still unclear as to how many of the personnel that avail themselves of the GI Bill will enlist for critical skills or for service in priority units, a requirement of our other incentives, and of the prior educational assistance program.

However, even though we are only a few months into the program, it appears that there has been a substantial positive reaction. We have taken the actions necessary to monitor the progress of the new GI Bill so we will be able to assess its impacts. At the Defense Manpower Data Center (DMDC) a new data base has been established for this purpose. This system is up and operating and appears to be working well. While the administrative procedures are elaborate we are beginning to see significant results. As of last week, and using the VA Benefits file, nearly 7500 applications have been received for new benefits. The largest users, so far, have been members of the National Guard, but it is too early to make meaningful comparisons between the reserve components. Comparing the first 5000 of these applications with the Selected Reserve file all but 177 of them match. Of these 177, investigations are now ongoing to verify the eligibility of each individual.

Our early analysis shows that the majority of members are applying for full-time benefits, which is the opposite of what we anticipated. You might also like to know that only 4% of the records from the VA show that the individual applying has less than 36 months of entitlement. This means that most will be using veterans' educational benefits for the first time. The DMDC/Veterans Administration cooperation on this data base has been excellent.

We do see great potential for use in the reserve components for the new GI Bill. If we look at the educational makeup of the enlisted members of the reserve components across the board we will find that over 80% Guard and Reserve members are high school graduates. Even though we have over 57,000 enlisted members that have a college degree, this represents only 2% of our total strength. Our analysis shows that bonus-takers, with respect to our enlistment and re-enlistment incentives in the reserve components, serve longer. We believe that this will hold true for the new GI Bill as well and that there will be a complementary effect. We believe it will help us to attract quality and to improve the abilities of many now in the force.

We appreciate the opportunity to appear here today, and I am prepared to answer any questions you may have.

World War II, Korean Conflict and Post-Korean Conflict G.I. Bills
Comparison of Participation Rates

	World War II June 1944 to End of Program	Korean-Conflict Sept. 1952 to End of Program	Post-Korean Conflict		
			Peacetime1/ Post-Korean June 1966 to End of Program	Vietnam Era2/ (incl. servicemen) June 1966 to Sept. 1985	Vietnam Era2/ (Veterans Only) June 1966 to Sept. 1985
Eligible for Training	15,440,000	5,509,000	3,237,000	10,262,0002/	9,537,0005/
Number who Trained	7,800,000	2,391,000	1,396,000	6,684,1813/	6,037,076
Percent who Trained	50.5%	43.4%	43.1%	65.1%	63.3%

1/ Served after January 31, 1955 but did not serve after August 4, 1964.

2/ Served at some time in the period betweeen August 4, 1964 and January 1, 1977.

3/ Includes 647,105 who last trained while in the armed services.

4/ Includes all veterans who served at some time in the period between August 4, 1964 and January 1, 1977 who were discharged alive as well as those members of the armed forces who served during that period but who have not yet returned to civilian life.

5/ Includes all veterans who served at some time in the period between August 4, 1964 and January 1, 1977 who were discharged alive.

Office of Information Management and Statistics
Veterans Administration
December 12, 1985

Statistical Review & Analysis Division (713)
Statistical Policy & Research Service

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Notes Regarding Eligibility and Payments

World War II service personnel who served for 90 days or more in the active military or naval service between September 16, 1940 and July 25, 1947 (both dates inclusive) and who were discharged under conditions other than dishonorable were eligible for education and training under the World War II GI bill. The period of education was limited to one year plus the length of active service but not to exceed four years. Education or training courses had to be initiated not later than four years after the date of discharge, or prior to July 26, 1951, whichever was later and no education or training was to be offered after July 26, 1956. Tuition payments were made by the Government and could not exceed $500 for an ordinary school year. In addition, full-time institutional students received subsistence at the rate of $50 per month without dependents or $75 per month with one or more dependents. These allowances were later raised to $65 and $90 per month, respectively.

Korean conflict GI bill differed substantially from that provided for World War II veterans. The duration of education or training was limited to one and a half times the period of active service between June 27, 1950 and January 31, 1955 with a limit of 36 months. Payments were made directly to the veteran in the form of subsistence payments of $110, $135, or $160 per month depending on dependency status. Out of this subsistence allowance the veteran was required to meet his school expenses, such as books, tuition, and other fees. No payments were made by the VA directly to schools as had been done under the World War II GI bill. The deadline for completing education or training was eight years from the date of discharge or January 31, 1965, whichever came first.

Post-Korean conflict GI bill benefits are available to veterans who served on active duty for more than 180 continuous days, any part of which occurred after January 31, 1955, but before January 1, 1977, and who were released under conditions other than dishonorable, or continue on active duty. Each eligible person is entitled to educational assistance for a period of one-and-a-half months for each month, or fraction thereof, of service on active duty after January 31, 1955, up to 45 months. Veterans who are released from active duty after June 1, 1966, have eligibility for ten years after their last discharge or release but not later than December 31, 1989, whichever is earlier. Full-time institutional students were provided monthly payments of $100 if without dependents, $125 if they had one dependent or $150 if they had two or more dependents when the program began. Currently, comparable monthly payments are $376 if without dependents, $448 if they have one dependent, and $510 if they have two dependents. An added $32 per month is provided for each dependent in excess of two.

RECORD VERSION

STATEMENT BY
LIEUTENANT GENERAL EMMETT H. WALKER, Jr.
CHIEF, NATIONAL GUARD BUREAU
DEPARTMENT OF THE ARMY
AND THE AIR FORCE
BEFORE THE
SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT
COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES
FIRST SESSION, 99TH CONGRESS
NOVEMBER 21, 1985

NOT FOR PUBLICATION
UNTIL RELEASED BY THE
HOUSE VETERANS' AFFAIRS
COMMITTEE

Mr. Chairman and members of the subcommittee, I am pleased to be able to testify on the Veterans Educational Assistance Act of 1984--the New GI Bill.

The New GI Bill, used in conjunction with the other enlistment and retention incentives, is proving to be an effective tool. We expect the New GI Bill will enhance our ability to compete in the marketplace.

Guard members who are currently using the New GI Bill were members prior to the beginning of the program on the 1st of July who have reenlisted or extended to use the New GI Bill. We will not see any statistical data to indicate the impact of the New GI Bill in recruiting until after the first of January when the first of our new recruits become eligible--having completed 180 days of Guard service since the first of July. We will not have any significant data until mid-April.

The continually increasing demands of modernization and the need for a strong defense in a resource constrained environment make it imperative that we retain and recruit the best soldiers and airmen society has to offer. While not targeted toward shortage skills or priority units like the incentive program, the New GI Bill allows us to attract quality personnel who desire to continue their civilian education. The New GI Bill also provides increased educational opportunities which will have positive effects on readiness and training. As equipment and doctrine become more complex and the use of higher technology becomes more prevalent we will be able to retain and recruit more of these highly skilled, motivated, and capable people with the New GI Bill. The New GI Bill should serve as a significant retention tool because, unlike previous GI Bills, the member must perform satisfactorily in an active status in the Selected Reserve in order to use the benefit.

As we look to an aggregate end strength growth for the Army and Air National Guard of 28,000 by FY87 and continuing growth through FY90 in the face of a dwindling manpower pool and competing civilian employment opportunities, we must have the tools to man our force.

The Army Guard today represents almost half of the Army's combat units, while the Air Guard contributes more than half of the Air Force's air defense and more than 70 percent of its tactical communications and air traffic control. The mission growth in the Army and Air Guard can be expected to continue increasing through the next decade. We will need more good people to support this growth and the New GI Bill coupled with the other incentives should help us get them.

The cost of a college education continues to skyrocket and represents a major investment of a family's resources. The New GI Bill provides an opportunity for many young people, who otherwise could not afford to do so, to attend post-secondary schools. As we learned from previous GI Bills, benefits accrue not only to the military but also to society as a whole. The increased level of education, elevated lifetime earning power, and a more complete education permit the individual to better cope with society's complexities.

Mr. Chairman, I sincerely believe the New GI Bill--in concert with our other incentives--is an aid to continued successes in retention and recruiting in the National Guard. It is in keeping with the current practices in the private sector to both educate and motivate people. If we are to continue to be ready when called, the National Guard must attract, retain, and maintain educated and motivated members. Our missions require it. I believe the New GI Bill will play an even more important role in the Guard of tomorrow.

OMB APPROVED STATEMENT OF
LIEUTENANT GENERAL EMMETT H. WALKER

RECORD VERSION

STATEMENT BY

LIEUTENANT GENERAL EMMETT H. WALKER, Jr.

CHIEF, NATIONAL GUARD BUREAU

DEPARTMENT OF THE ARMY

AND THE AIR FORCE

BEFORE THE

SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT

COMMITTEE ON VETERANS' AFFAIRS

UNITED STATES HOUSE OF REPRESENTATIVES

FIRST SESSION, 99TH CONGRESS

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NOVEMBER 21, 1985

STATEMENT BY

REAR ADMIRAL (LOWER HALF) ALAN D. BREED

U. S. COAST GUARD

BEFORE THE

COMMITTEE ON VETERANS' AFFAIRS

SUBCOMMITTEE ON EDUCATION, TRAINING

AND EMPLOYMENT

U. S. HOUSE OF REPRESENTATIVES

ON

THE VETERANS' EDUCATIONAL

ASSISTANCE ACT OF 1984

MR. CHAIRMAN, I AM REAR ADMIRAL ALAN D. BREED, CHIEF OF THE OFFICE OF READINESS AND RESERVE AT COAST GUARD HEADQUARTERS. IT IS A PLEASURE TO APPEAR BEFORE THE SUBCOMMITTEE TO OFFER TESTIMONY ON THE EFFECT OF THE NEW GI BILL ON THE COAST GUARD RESERVE.

AS ONE OF THE FIVE ARMED SERVICES WITH AN INTEGRAL ROLE IN OUR NATIONAL DEFENSE, THE COAST GUARD STRESSES "THE TOTAL FORCE" CONCEPT; THE INTEGRATION OF REGULAR AND RESERVE MEMBERS INTO THE MAINSTREAM OF BOTH PEACETIME MISSIONS AND MOBILIZATION SCENARIOS. COAST GUARD RESERVISTS ROUTINELY TRAIN FOR SPECIFIC MOBILIZATION SKILLS THROUGH AUGMENTATION OF ACTIVE DUTY UNITS. THIS TRAINING INVOLVES PERFORMING COAST GUARD DUTIES SUCH AS SEARCH AND RESCUE, MARINE SAFETY, ENVIRONMENTAL RESPONSE, AND PORT SAFETY AND SECURITY. OUR RESERVISTS ALSO PARTICIPATE HEAVILY IN JOINT-SERVICE FIELD TRAINING EXERCISES AND OTHER MOBILIZATION MANEUVERS.

HIGH-CALIBER PERSONS OF STRONG CHARACTER ARE REQUIRED FOR COAST GUARD RESERVE SERVICE. ACCORDINGLY, THE COAST GUARD STRONGLY ENDORSES THE USE OF APPROPRIATE INCENTIVES TO ATTRACT QUALIFIED PERSONNEL INTO THE COAST GUARD RESERVE. IN YEARS PAST THE COAST GUARD RESERVE DID NOT EXPERIENCE RECRUITING SHORTAGES AS DID THE OTHER RESERVE COMPONENTS -- AND OUR USE OF DISCRETIONARY INCENTIVES AND BONUSES WAS APPROPRIATELY CONSTRAINED. WE ARE NOW FACING INCREASING COMPETITION FOR A

DECREASING RECRUIT POPULATION AND MUST AVAIL OURSELVES OF EVERY RECRUITING TOOL. THE GI BILL, WHILE NOT DISCRETIONARY, IS JUST SUCH A TOOL. IMPLEMENTATION OF THE PROGRAM HOWEVER, HAS NOT BEEN WITHOUT ITS MANAGEMENT CHALLENGES.

WE ESTIMATE THAT OVER THE THREE YEAR PERIOD, 6,155 COAST GUARD RESERVISTS WILL BE ELIGIBLE TO TAKE ADVANTAGE OF THESE GI BILL BENEFITS. OF THOSE ELIGIBLE, WE ARE PROJECTING THAT 51% WILL ACTUALLY TAKE ADVANTAGE OF THE PROGRAM.

IN PROJECTING THE COST OF THE PROGRAM TWO METHODS WERE USED. IF PAYMENTS WERE TO BE MADE OVER THE FULL TEN YEAR ELIGIBILITY PERIOD, THE TOTAL COST IS ESTIMATED TO BE $7.8 MILLION. USING THE PRESENT VALUE METHOD WHICH WOULD BE AVAILABLE BY PARTICIPATION IN THE DEPARTMENT OF DEFENSE EDUCATION BENEFITS FUND OR ESTABLISHING A SIMILAR TRUST FUND FOR THE COAST GUARD, THE TOTAL COST IS ESTIMATED TO BE $5.3 MILLION -- A SUBSTANTIAL SAVINGS TO THE COAST GUARD. SINCE THE GI BILL DID NOT MAKE PROVISIONS FOR THE COAST GUARD TO PARTICIPATE IN THE DOD FUND, WE ARE CURRENTLY DISCUSSING WITH THE DOD THE ADVANTAGES AND DISADVANTAGES OF INCLUSION IN THEIR FUND. IN EITHER CASE LEGISLATIVE AUTHORITY WILL BE NECESSARY.

WE BELIEVE THE AVAILABILITY OF THE NEW GI BILL WILL HELP US MEET OUR OVERALL RESERVE ACCESSION GOALS. IN PARTICULAR, WE

BELIEVE THE NEW EDUCATIONAL ASSISTANCE PROGRAM IS ESPECIALLY ATTRACTIVE TO THOSE WE SEEK AS APPLICANTS FOR OUR PRINCIPAL NON-PRIOR SERVICE RECRUITING PROGRAM. THIS TWO-PHASE TRAINING PROGRAM IS TARGETED TOWARDS HIGH SCHOOL STUDENTS AND DIVIDES THE INITIAL ACTIVE DUTY FOR TRAINING BETWEEN TWO CONSECUTIVE SUMMERS. AS STUDENTS, THESE RECRUITS WILL BE INTERESTED IN AND BENEFIT FROM THIS IMPORTANT FINANCIAL ENTITLEMENT. ALSO PROMISING IS THE INTEREST NOTED AMONG ACTIVE FORCE COAST GUARD PERSONS SOON TO BE RELEASED FROM ACTIVE DUTY. MANY HAVE INDICATED AN INTENT TO PARTICIPATE IN THE SELECTED RESERVE BECAUSE OF THIS PROGRAM. THESE SEASONED AND SKILLED PERSONNEL WILL BE WELCOMED AND VALUED ADDITIONS TO OUR RESERVE FORCE.

WITH REGARD TO A PROVISION FOR TRANSFERABILITY, WE CONCUR WITH DOD THAT BASED ON THE INFORMATION CURRENTLY AVAILABLE, TRANSFERABILITY NOT BE ENACTED BY CONGRESS. OUR MOST NEEDED RECRUIT POPULATION IS AT HIGH SCHOOL AND COLLEGE AGE. THESE WILL MOST LIKELY PURSUE NEW GI BILL BENEFITS FOR THEMSELVES, RATHER THAN THEIR DEPENDENTS.

WE ALSO CONCUR WITH THE DEPARTMENT OF DEFENSE THAT TARGETED INCENTIVES, SUCH AS ENLISTMENT AND REENLISTMENT BONUSES, ARE THE MOST COST EFFECTIVE METHOD FOR MEETING SPECIFIC ACCESSION NEEDS. IN THE RECENT PAST, THE COAST GUARD RESERVE HAS NOT NEEDED TO USE SUCH INCENTIVES TO REACH OUR RECRUITING GOALS. HOWEVER, THE

COAST GUARD RESERVE MAY EVENTUALLY FIND THAT IT TOO NEEDS ADDITIONAL TOOLS TO MAINTAIN THE HIGHLY-QUALIFIED MOBILIZATION FORCE REQUIRED TO MEET SPECIFIED CONTINGENCY ASSIGNMENTS.

MR. CHAIRMAN, THIS CONCLUDES MY PREPARED STATEMENT. I WOULD BE HAPPY TO ENTERTAIN ANY QUESTIONS.

NOT FOR PUBLICATION
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HOUSE VETERANS' AFFAIRS COMMITTEE

STATEMENT OF
REAR ADMIRAL CECIL J. KEMPF, USN
DIRECTOR OF NAVAL RESERVE
BEFORE THE
EDUCATION, TRAINING AND EMPLOYMENT SUBCOMMITTEE
OF THE
HOUSE VETERANS' AFFAIRS COMMITTEE
ON
THE NEW GI BILL
NOVEMBER 21, 1985

NOT FOR PUBLICATION
UNTIL RELEASED BY
HOUSE VETERANS' AFFAIRS COMMITTEE

Mr. Chairman and Members of the Committee, it is my pleasure to appear before you today to discuss the new GI Bill as it relates to the Navy's Selected Reserve. Rear Admiral Benjamin Hacker, USN, recently testified regarding new GI Bill issues which affect the active component of the Navy. As you requested, my remarks will address the implementation, administration, and structure of this new educational assistance program as it pertains to the Naval Reserve.

Implementation of the Selected Reserve portion of the new GI Bill has been achieved through use of existing media for passing information and by prescribing administrative requirements in organizational publications. My staff worked closely with the Director of the Navy's Total Force Training and Education Division in the development of the Chief of Naval Operations instruction which defines the policy and procedures, including eligibility criteria and recoupment provisions, for both Active duty and Selected Reserve personnel. The distribution of that instruction to all Reserve facilities along with previous Naval Reserve Force press releases and prior articles in Naval Reserve Force publications will constitute the bulk of our effort to inform the Selected Reserve of the provisions of the new GI Bill.

Naval Reserve recruiters have received specific information by message and publication for use in their recruiting efforts of both prior and non-prior service personnel. That data has been put to use by recruiters in meeting their accession goals for the three month period of July through September 1985.

Because it provides another effective tool for attacking the prior and non-prior service markets during a period of increased competition in a declining population, Naval Reserve recruiters have indicated enthusiastic support for the Selected Reserve entitlements under the new GI Bill. Specifically, the Naval Reserve recruiting force has found that:

> The Bill provides an excellent vehicle for penetrating the junior college market - a market previously unproductive for non-prior service accessions. This is particularly important given the improving economy which tends to lead these potential accessions to other forms of part-time employment.
>
> It is particularly attractive to upper mental group applicants who intend to continue their education, notwithstanding their voluntary decision to serve in the military. The extra drill time required to qualify for this benefit is perceived to be worth the extra monthly stipend and total potential benefits.
>
> It is financially attractive to applicants, since it is not a contributory program.

The full and long-term impact of the new GI Bill on our recruiting effort is uncertain. While it is still too soon to quantify, I believe the impact for the Naval Reserve will be felt in enhanced [illegible] size. With the required growth of the

Naval Reserve, particularly by people holding critical technical skills, retention of the existing trained Reserve Force has become extremely important. In our estimate, the new GI Bill will help improve retention because:

> To continue entitlement and receive monthly benefits, a drilling Reservist must remain a satisfactory performer, attending 90% of regularly scheduled drills and annual active duty for training; and
>
> It directly and positively affects a veteran's decision to obligate for six years, instead of two or three year enlistments which were previously more attractive.

The Navy believes that a basic educational assistance entitlement in return for honorable military service, either Active or Reserve, makes good sense. The new GI Bill is just such a program. It should also make our recruiting and retention tasks easier and should improve the overall quality of our Selected Reserve. But, the new GI Bill must not be viewed as a panacea for all our recruiting and retention problems. Our analyses have shown that enlistment and reenlistment bonuses, focused on critical skills, are still necessary if we are to meet our personnel requirements. With your assistance, we can provide our young people with a more effective educational assistance program which will also better enable us to attain our end-strength and quality objectives.

I wish to thank you for this opportunity to express my views on these most important issues. I shall be pleased to respond to any questions you might have.

Department of the Air Force

Presentation to the Subcommittee on Education, Training and Employment

Committee on Veterans' Affairs

United States House of Representatives

November 21, 1985

SUBJECT: Implementation of the GI Bill in the Air Force Reserve

Statement of: Major General Sloan R. Gill
Chief of Air Force Reserve
Headquarters, USAF

1

Not for Publication Until
Released by the Committee
on Veterans' Affairs
United States House of Representatives

Statement
Major General Sloan R. Gill, USAF
Chief of Air Force Reserve

Mr Chairman and Members of the Subcommittee:

Thank you for the opportunity to appear before this committee to present information on the implementation, administration and structure of the new GI Bill as it pertains to the US Air Force Reserve (USAFR). As you know, to encourage and sustain membership in the Air Force Reserve, and other components, Congress authorized an educational assistance program for qualified reservists who have a six-year obligation in the Selected Reserve. This six-year obligation may be incurred by enlisting, reenlisting, or extending for the appropriate period. Eligible officers must agree to serve in the Selected Reserve for a six-year period in addition to any other obligated Selected Reserve service. The period of eligibility for qualifying for educational assistance is 1 July 1985 through 30 June 1988.

In addition to the six-year military obligation, reservists must meet other eligibility criteria. The additional requirements are:

Non-Prior Service Recruits:

a. Have received a high school diploma or high school equivalency certificate prior to completing Initial Active Duty for Training (IADT). Under regulations prescribed by the Military Departments, recruits shall furnish evidence (such as a diploma or certificate of completion) of satisfying this requirement within 60 days of the date they completed IADT.

b. Have completed Initial Active Duty for Training (IADT) as required by the Secretary of the Military Department concerned.

c. Have completed 180 days of service in the Selected Reserve computed from the date the oath of enlistment is administered.

d. Are not receiving financial assistance under section 2107 of Title 10, USC, as members of the Senior Reserve Officers' Training Corps program.

e. Have not completed a course of instruction required for a bachelor's degree or the equivalent evidence of completion of study.

Enlisted Members:

a. Possess a high school diploma or equivalency certificate on the date the reenlistment or extension contract is executed.

b. Have completed 180 days service in the Selected Reserve.

c. Have completed IADT in accordance with regulations prescribed by the Secretary of the Military Department concerned.

d. Are not receiving financial assistance under section 2107 of Title 10 USC, as members of the Senior Reserve Officers' Training Corps Program.

e. Have not completed a course of instruction required for a bachelor's degree or the equivalent evidence of completion of study.

Officers:

a. Agreement to serve in the Selected Reserve for six years in addition to any other period of obligated Selected Reserve service he or she is required to perform.

b. Have completed 180 days service in the Selected Reserve.

c. Are not receiving financial assistance under section 2107 of Title 10 USC, as members of the Senior Reserve Officers' Training Corps Program.

d. Have not completed a course of instruction required for a bachelor's degree or the equivalent evidence of completion of study. (This requirement pertains primarily to nurses).

A member's entitlement to the Reserve GI Bill normally expires at the end of a 10-year period of satisfactory service in the Selected Reserve beginning on the date on which the reservist became entitled or on the date the reservist is separated from the Selected Reserve, whichever comes first. There are two exceptions to these rules:

a. Reservists who through no fault of their own are prevented from pursuing an educational program using the educational assistance authorized by Congress because of a physical or mental disability incurred or aggravated in the line of duty; in such cases, the reservist must apply to the Veterans Administration (VA) for an extension of the 10-year period within 1 year after the last day of the 10-year period or the last day of the disability, whichever is later.

b. Reservists whose educational benefits expire while enrolled in an institution regularly operated on the quarter or semester system and a major portion of the course is completed, the period of entitlement will be extended to the end of the quarter or semester, or for 12 weeks, whichever is less.

A reservist, who has satisfied the eligibility criteria, must execute a DD Form 2384. This is the form used to certify eligibility to participate in the Reserve GI Bill program. This form indicates that a reservist has met the eligibility criteria and is a satisfactory participant in the Air Force Reserve as of the date signed by the certifying official. An executed form is required for a reservist to be enrolled in the Reserve GI Bill Program and will be sent to the VA when applying for benefits. DD Form 2384 will be provided to each reservist at the time entitlement to educational assistance is established. It will become a part of a reservist's official record, and a separate official copy will be given to the reservist. A statement of understanding may be provided to reservists who have not yet met the eligibility criteria. The statement of understanding may become part of the enlistment, reenlistment, or extension. In the case of officers, it may become part of the agreement to serve in the Air Force Reserve. Statements of understanding will not be presented to the VA as evidence of entitlement to Selected Reserve educational assistance benefits.

We presently have 1,746 airmen reservists who meet all requirements and 956 airmen who are eligible but do not meet the service requirements. On the officer side, 12 meet all requirements and another 140 are eligible but have not met the service requirements.

There are some areas of concern that we have in regard to the new GI Bill. In terms of recoupment, we require an aggressive approach on recoupment actions. A reservist failing to satisfactorily participate in required training as a member of the Selected Reserve, during the term of enlistment that created the member's entitlement to Educational Assistance, may be required to refund to the United States Government all or part of the monies received from the VA plus accrued interest. However, there are specific circumstances for excusal from recoupment. These are as follows:

a. Death of the member.

b. Unit reorganization resulting in loss of any position for which a member is qualified.

c. Incurred physical or mental handicap (not self-inflicted) eliminating the member from actively participating in the Selected Reserve.

d. A discharge of the member for the convenience of the Government.

e. Enlistment and/or appointment into any military component.

f. Pregnancy - validated by a physician.

g. Job conflict - validated by employer.

h. Change of residence and no reserve unit within a reasonable commuting distance that has position for which the member can qualify.

i. Personal or community hardship (documented by two disinterested parties).

j. Missionary obligation.

k. Ministry student.

If recoupment is not required for a non-participating member, the member will be permitted to reaffiliate in order to regain his or her GI Bill eligibility. Time limits for authorized non-participation are 3 years for a religious missionary obligation and 1 year for any other authorized reason. Failure to reaffiliate with the Selected Reserve at the end of this time period will result in permanent ineligibility for benefits. Only one approved release is permitted during the 10-year benefit period for the purpose of recovering eligibility for educational assistance benefits. At the end of this period of inability to continue to serve in the Selected Reserve, individuals must:

a. Execute a new enlistment or reenlistment contract or an extension to be at least equal to the period of authorized non-participation so that a six year commitment in the Selected Reserve is satisfactorily served.

b. Obtain a new DD Form 2384 and reapply to the VA for benefits.

In summary, I want to emphasize several points in regard to the implementation of the new GI Bill. First, the Bill should have a beneficial impact on the Selected Reserve although it is too early to ascertain the ultimate impact of the new GI Bill as a retention incentive. Second, the GI Bill will not substitute for a viable bonus program. Although the Reserve GI Bill will serve as a market expander (it should increase the number of candidates desiring entry into the USAFR), it clearly will not have a skill channelling effect. That is, it will not put people in desired shortage specialties as does the bonus. Next, whether the GI Bill will have a strong retention effect remains to be seen and depends upon vigorous recoupment policies. Finally, the US Air Force Reserve will still need to continue aggressive recruiting efforts to ensure we meet our end-strength floor. The Air Force Reserve will continue to rely on the combination of vigorous recruiting and retention programs, conducted at all command levels, for meeting our manpower requirements.

This GI Bill follows in a long tradition of military education assistance programs which have enriched the fabric of this nation as exemplified by the post World War II GI Bill. A much desired by-product of the present GI Bill is the benefit accruing to local communities, junior colleges and universities as a result of active and reserve members' participation. In the recent past, the GI Bill has opened doors for servicemen and women to vocational training as well as baccalaureate, graduate and professional education all of which have enriched our society. This GI Bill not only enhances baccalaureate education opportunities at a time when many areas are experiencing decreasing enrollments but also encourages our citizen airmen to realize their potential to the fullest. Members of the Air Force community who avail themselves of such an opportunity as this one are more productive members of our organization and add materially to our nation's technological productivity base.

I wish to express my appreciation for the concern and interest shown by this Committee in support of Total Force programs and for your specific assistance regarding the new GI Bill.

This concludes my statement, Mr Chairman. I will be glad to respond to any questions you may have.

RECORD VERSION

STATEMENT BY
MAJOR GENERAL WILLIAM R. BERKMAN
CHIEF, ARMY RESERVE
BEFORE THE
SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT
COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES
FIRST SESSION, 99TH CONGRESS
NOVEMBER 21, 1985

NOT FOR PUBLICATION
UNTIL RELEASED BY THE
HOUSE VETERANS' AFFAIRS
COMMITTEE

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE

I AM PLEASED TO BE HERE TODAY TO TALK WITH YOU ABOUT THE VETERANS EDUCATIONAL ASSISTANCE ACT OF 1984, THE "NEW GI BILL."

I BELIEVE THAT THE NEW GI BILL IS ONE OF THE MORE SIGNIFICANT DEVELOPMENTS IN SUPPORT OF THE RESERVE COMPONENTS THAT WE HAVE SEEN IN RECENT YEARS. IT MEETS A NEED WHICH HAS BEEN DEMONSTRATED IN YEARS PAST BY THE HISTORY OF EDUCATIONAL ASSISTANCE AS AN ENLISTMENT INCENTIVE.

THE RECENT HISTORY OF THE ARMY RESERVE'S SELECTED RESERVE INCENTIVE PROGRAM, WHICH PROVIDED A VARIETY OF INCENTIVES FOR THOSE WHO JOINED THE SELECTED RESERVE, INDICATES THAT SIGNIFICANT NUMBERS OF THOSE WHO ENLISTED IN THE ARMY RESERVE CHOSE THE EDUCATIONAL ASSISTANCE OPTION. MANY OF THESE HIGH QUALITY MEN AND WOMEN SAW THE VALUE OF TRAINING AND EDUCATION; SAW THE OPPORTUNITIES AND CHALLENGES WHICH THEY OFFERED; AND RECOGNIZED SERVICE IN THE RESERVE COMPONENTS AS THE OPPORTUNITY TO DEVELOP THEIR OWN POTENTIAL WHILE THEY SERVED THEIR COUNTRY. TO SAY THAT THEIR INTELLECTUAL AND SKILL DEVELOPMENT REDOUNDED TO THE GOOD OF THEMSELVES, THE SERVICES, AND THE COUNTRY IS A TRUISM. HISTORICALLY, NUMEROUS SURVEYS OF THE BENEFITS OF EDUCATIONAL ASSISTANCE TO VETERANS HAVE DEMONSTRATED THAT EVERY DOLLAR SPENT RETURNS TO THE TAX BASE MANYFOLD - AND SUCH AN ANALYSIS NEVER ADDRESSES THE PRIMARY INTENT OF SUCH PROGRAMS: TO ATTRACT THE SKILLED, HIGH QUALITY PERSONNEL SO CRITICAL TO TODAY'S ARMED FORCES.

TODAY'S NEW GI BILL GOES BEYOND THE OLDER INCENTIVE PROGRAM BOTH IN AMOUNT AND NATURE. WHILE THE OLDER PROGRAM WAS

ESSENTIALLY AN INDUCEMENT, THE NEW GI BILL IS, BY DEFINITION, AN ENTITLEMENT. THE DIFFERENCE IS SIGNIFICANT - THE NEW PROGRAM IS A RECOGNITION OF COMMITMENT AND OF SERVICE AND AN ACKNOWLEDGEMENT OF THE MUTUALLY BENEFICIAL NATURE OF INTELLECTUAL AND SKILL DEVELOPMENT. WHEN A SOLDIER DEVELOPS HIS SKILLS AND HIS INTELLECT, HE BENEFITS, HIS UNIT BENEFITS, AND HIS COUNTRY BENEFITS.

WHILE WE HAVE NOT YET RECEIVED OFFICIAL FIGURES FROM THE VETERANS ADMINISTRATION ON THE USAGE OF THE NEW GI BILL SINCE ITS IMPLEMENTATION ON 1 JULY 1985, OUR RESERVE RECRUITERS AND OUR RETENTION PERSONNEL HAVE REPORTED THAT THE PERSONNEL WITH WHOM THEY HAVE DEALT ARE VERY INTERESTED IN THE EDUCATIONAL BENEFITS AVAILABLE TO THEM. THE HIGH QUALITY SOLDIERS WE NEED TO MAN TODAY'S HI-TECH ARMY RESERVE UNITS ARE THE VERY KIND OF PEOPLE WHO VALUE THE TRAINING AND EDUCATION AVAILABLE TO THEM THROUGH THE NEW GI BILL.

WE HAVE DEFINED OUR ENLISTMENT MARKET AND HAVE, IN THE NEW GI BILL, A MOST ATTRACTIVE AND EFFECTIVE MECHANISM FOR MEETING OUR NEEDS TODAY AND IN THE FUTURE. LET ME POINT OUT, HOWEVER, THAT THE NEW GI BILL IS NOT A SUBSTITUTE FOR THE OLDER SELECTED RESERVE INCENTIVE PROGRAM. ABOUT AS MANY OF OUR RECENT RECRUITS OPTED FOR A BONUS AS FOR EDUCATIONAL ASSISTANCE. THE BONUS PROGRAM REMAINS AN ESSENTIAL TOOL IN ATTRACTING AND RETAINING

MANY QUALIFIED PERSONNEL IN THE RESERVE COMPONENTS. THE TWO PROGRAMS ARE NOT MUTUALLY EXCLUSIVE, RATHER THEY ARE COMPLEMENTARY. THEY MEET DIFFERING NEEDS FOR THE GOOD OF OUR TOTAL ARMY.

WE HAVE AN AMBITIOUS STRENGTH RAMP TO MEET IN FY 86 AND BEYOND. THE EDUCATIONAL BENEFITS AVAILABLE IN THE NEW GI BILL WILL HELP FULFILL THE CONGRESSIONAL MANDATE TO MEET AND EXCEED OUR PROGRAMED STRENGTH AND THUS MORE CLOSELY MEET OUR WARTIME REQUIRED STRENGTH.

NOT FOR PUBLICATION UNTIL RELEASE
BY THE HOUSE VETERANS AFFAIRS COMMITTEE

STATEMENT OF
MAJOR GENERAL L. H. BUEHL
UNITED STATES MARINE CORPS
DEPUTY CHIEF OF STAFF FOR RESERVE AFFAIRS
BEFORE THE
SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT
COMMITTEE ON VETERANS AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES
CONCERNING
IMPLEMENTATION, ADMINISTRATION, AND STRUCTURE
OF THE RESERVE GI BILL
ON
21 NOVEMBER 1985

NOT FOR PUBLICATION UNTIL RELEASE
BY THE HOUSE ARMED SERVICES COMMITTEE

Mr. Chairman, distinguished members of the Committee; it is indeed a pleasure to appear before you to review the implementation, administration, and structure of the new GI Bill as it pertains to the Reserve components.

Since the beginning of the decade, Congress and the Administration have made great strides toward improving the quality of our Reserve manpower. Through your support we have made significant inroads to increasing the size and improving the quality of the Selected Marine Corps Reserve (SMCR). Ninety-seven percent of our FY 85 non prior service accessions were high school graduates and 89 percent were Mental Group III or above.

We are very optimistic about the use of the GI Bill to enhance the Selected Reserve. The Reserve program provides an entitlement at no cost to the individual and is not limited to new accessions. It will enable all Reserve Marines who meet educational prerequisites to reenlist or extend for the program. The GI Bill is a unique piece of legislation because it assists the citizen soldier in improving both his military and civilian careers. Like previous GI legislation it can more than pay for itself as these young men and women contribute to our national economy.

IMPLEMENTATION

The Marine Corps is actively promoting the program through a balanced marketing program encompassing both members of the Selected Marine Corps Reserve and Marines leaving active duty.

Our implementing directive went to all Marine Corps bases, stations, and Reserve unit locations to ensure all Marine reservists and Marines leaving active duty are aware of the program. Marines leaving active duty are briefed about the GI Bill and other Reserve opportunities to encourage them to affiliate with the Selected Reserve. Briefings are conducted at all bases and stations by reservists on full-time active duty. Upon completion of the briefings, Marines complete a post card with their future address on it. Cards are referred to a recruiter nearest the Marine's listed residence. We also issue a news release to all bases and stations to remind Marines leaving active duty of the program.

To answer questions that commands and individual Marines may have on the program, we have established a toll free 800 number at the Marine Corps Reserve Support Center in Overland Park, Kansas. This number is also included in our implementing directive and news releases. The number has also been provided to the Veterans Administration (VA). The VA, in turn, provided the number to its regional offices, resulting in an ability to provide on-line toll free assistance to Marine reservists anywhere in the country. Our working relationship on this issue is developing satisfactorily with VA personnel.

Our advertising program has been updated to ensure individuals considering enlistment into the Selected Marine Corps Reserve are aware of the program. Recruiters have been instructed regarding the program and have been provided our 800 number to get immediate answers to any specific questions they may have.

We are currently examining the potential effectiveness of a direct mail program wherein each member of the SMCR would receive a letter outlining the merits of the GI Bill and referring them to their career planner for further assistance with the program.

ADMINISTRATION

We have made every effort to simplify the program's administration to help maximize its use. In order to make full use of the program, we liberalized time-in-service limitations so that commanding officers could extend or reenlist Marines without having to request waiver authority from the Commandant of the Marine Corps. We have distributed standard forms developed by the Navy and the Department of Defense to our units and recruiters to minimize the administrative requirements placed upon commanding officers.

Recruiters complete a written agreement for each individual enlisting for 6 years in the SMCR. This agreement explains the requirements of the program and provides the individual a schedule of benefits. The same form is used for individuals who reenlist or extend for the program. Once the individual completes 180 days in the SMCR he will be notifed of eligibility for GI Bill benefits and will be advised to request a Notice of Entitlement for Benefits from his unit. This Notice is used by all the services and is the instrument used to certify eligibility for the new GI benefits. The Individual takes the form to his school for certification and forwarding to the local VA regional office. The VA regional office mails a check to the individual based upon his course load.

EFFECTIVENESS

While it is too early to measure the effectiveness of this program, I do see great potential for the GI Bill. Approximately 20 percent of our enlisted force is currently attending college. Most of these Marines do not use the former Educational Assistance Program. Hence, the GI Bill enables us to target a market that is facing reduced financial aid from traditional government grant-in-aid programs and increasing educational costs. The new GI Bill enables individuals to serve their country in exchange for financial assistance. We believe the Bill will continue to attract college-bound reservists and the percentages of college attendees will increase as knowledge of the opportunity expands. At the same time, in order to attract and retain those individuals who do not desire to attend college, we will still need the SMCR bonus programs which Congress has approved.

The Reserve is much more dependent upon volunteerism than the Active component. Prior service Marines who have completed two years of active duty or their initial Reserve contracts may leave upon request. Incentive programs such as the GI Bill and other bonuses are required to retain trained individuals to ensure the proper mix of experience and leadership within our force.

LEGISLATIVE ENHANCEMENTS

The GI Bill in its current form does not enable Marines to pursue traditional vocational programs authorized for the Active component. While we do not have specific data, we believe a significant portion of those Marines not attending college would extend or reenlist in exchange for GI benefits which support vocational training.

CONCLUSION

We have established an agressive, integrated marketing program to ensure that all of our Marines will have the neccessary information to make an informed decision on the GI Bill. We look forward to sharing the results of our program with your committee in the future. Finally, Mr. Chairman, I would like to thank the Subcommittee and its staff for their efforts in developing this legislation. I believe the legislation will substantially improve our ability to recruit and, just as importantly, retain quality Marines. It will prove to be an historically significant piece of legislation.

TESTIMONY

to the

Subcommittee on Education, Training and Employment

Committee on Veterans' Affairs

U. S. House of Representatives

by

David H. Ponitz
President
Sinclair Community College
Dayton, Ohio
and
Member, Joint Commission on Federal Relations
American Association of Community and Junior Colleges
Association of Community College Trustees

on

Implementation of the New GI Bill

November 21, 1985

It is a special privilege to be introduced by Congressman Bob McEwen--a good friend and my congressman as a result of district reorganization in 1982. More important to this hearing, he is a dedicated and long-time supporter of veterans' programs.

Some decision makers talk of freedom in only a "flag-waving posture." Congressman McEwen works hard to achieve that goal through active support of military preparedness, attention to modern military facilities, and special assistance to public and private colleges and universities in his district to insure a quality education for the "broad spectrum" student population.

We appreciate his talent and commitment, and know that the committee shares my confidence in his skills.

Mr. Chairman, members of the House Veterans' Affairs Committee, I am David H. Ponitz, President of Sinclair Community College located in Dayton, Ohio. I consider it a privilege to be invited to share with you the success and the challenges that Sinclair Community College and other community and two-year colleges are encountering in implementing the New GI Bill.

At a recent meeting, an Army General responsible for recruiting in the Midwest said, "Thank God for Sonny Montgomery and his committee for helping the Army attract qualified people." I echo that sentiment...and offer congratulations from the community colleges across the land.

Our country is unique in the world in the postsecondary learning access that it provides. This concept of allowing all Americans the opportunity to try college, and to re-enroll as their skill needs change, has its roots in the passage of the GI Bill of Rights in 1944 and in the postwar development of community colleges, a dream raised to national consciousness by the Truman Commission on Higher Education. The combination of the more recent GI Bills, Pell Grants, and the convenience and low-cost of community college programs have made that vision a virtual reality. While the community colleges have become the largest branch of American higher education, certainly we do not take our mission or growth for granted. I believe every community college board and president regards as a public trust the slogan heralded by the AACJC-- "Opportunity with Excellence." Our remarkable growth is strong evidence that our programs are satisfying the learning needs of our students.

Even so, we recognize that our institutions have much to learn and to improve in meeting the changing skill needs of the private sector and the communities we serve. We see the New GI Bill as a vital component of this challenge. In the current academic year, some nine million students are enrolled in the credit and non-credit courses of the more than 1,200 community, technical and junior colleges. A great number of them are presently in the Armed Forces, the Reserves and the National Guard, or are veterans.

Sinclair enrolled some 600 veterans among the 17,000 students attending this year, and has the largest veterans population of any postsecondary institution in Ohio. At its peak in 1977, our veterans enrollment was 1,400. We provide a host of services to our veterans beyond the routine certification process. These include skills assessment, counseling, tutorial support, career planning and placement. We are firmly convinced these services contribute to the career and personal successes that our veterans are achieving.

The New GI Bill, Chapter 106, opens college access to a new military population, which promises to further enhance our national security. By making it possible for the National Guard and Reservists to complete college while serving six-year enlistments, you are giving the Armed Forces the benefit of the higher skills which that education provides. You also provide a powerful incentive to encourage able men and women to become an integral part of our national security.

We think of this program as an "up front GI Bill," and see it as a policy breakthrough that could yield other great benefits to the country. If higher education actively supports it, which surely is the intention of the community colleges, it could significantly reduce the competition among colleges, employers, and the military, for the diminished flow of graduates now completing high school.

In this vein, we urge that this Committee give serious consideration to Representative Charles E. Bennett's bill, H.R. 40, the Skilled Enlisted Reserve Training Act, which could further reduce competition among colleges, industry, and the military for high school graduates. Added to the "kicker," or special incentives in the New GI bill, the Bennett concept would entice National Guard and Reserve members to pursue the critical skills needed by the units in which they serve, thus further enhancing the benefit of the concurrent training to overall military preparedness.

Taking a closer look at what's happening with the New GI Bill, Ohio has 227 National Guard and Reserve units with over 55,000 active members. To date, however, less than 500 members, or less than one percent, have made application to claim the college benefits of the New GI Bill. We recognize that the bill actually became law July 1 of this year, yet the military and the Veterans Administration could have been more fully geared to launch the information campaign at that time. If colleges in other States are encountering the same problems we face in Ohio, they are finding the information and materials in the hands of both VA offices and Reserve and Guard units to be sketchy and incomplete. Here are some of the specific problems that we have encountered at Sinclair:

1. The most basic tool of the program, the application form and instructions, simply have not been available in the field. Surely this Committee should demand of the executive agencies involved that another academic term not elapse before comprehensive information kits are available to all service personnel and veterans who want them.

2. Some Reserve units have general information available on the program, others do not. Systematic dissemination of material and follow up are needed.

   From what we have observed, Guard and Reserve units are not using the program as a recruitment tool. This, of course, frustrates the colleges in their attempts to work with Guard and Reserve units on recruitment.

To reinforce these points, let me share with you comments of several Reservists:

* "I thought I had to fill out one form, but found out that two more forms were needed. I had to call the VA Headquarters (250 miles away) and waited another three weeks to have them signed."
* "Upon going to the VA office in _______ county, I was told they didn't know what to do with the paperwork."
* "I didn't know I was eligible until I started digging into the regulations on my own."
* "When I called my unit to get the form, they said they had received only one copy, and were writing for more. Only because the Sinclair VA was helpful, did I start receiving my benefits."
* "I had to take a day off from work to go to the VA Center in ___________ (city). They weren't familiar with the forms."

A poll taken at the recent annual meeting of the National Association of Veterans Program Administrators indicates that most colleges this fall have drawn fewer than 25 applicants under Chapter 106. Our experience may be a good indicator of why this is so.

At the risk of sounding selfish, we also believe that the acceptance and implementation of the program is being impeded by the absence of an administrative fee to assist colleges handling application, certification, monitoring, and counseling, services which are the barest essentials of any college's involvement with veterans and military-based enrollment. These students need as much help as those served by earlier GI Bills, and it is in the national interest to encourage colleges to meet their needs.

In conclusion, Mr. Chairman, we offer these suggestions:

1. The Reserve System needs to develop a marketing plan, a national publicity campaign, to inform colleges and attract applicants.
2. Presently there are effective TV and radio promotion to recruit individuals to active duty status. A similar emphasis should be placed on the educational opportunities for the Reservist and the National Guard.
3. General distribution of application forms and information kits are urgently needed.
4. Each VA office in the country needs detailed information on how they can assist Reservists and National Guard members to participate in the New GI Bill.

5. Fees should be provided to help defray the administrative costs to the colleges. This would help offset costs for skills assessment, counseling, tutorial support, career planning and placement.

Above all, we thank the Committee for its leadership in a program that is a ringing affirmation of higher education's indispensable role in national security. We thank you again for this opportunity to testify.

NATIONAL GUARD ASSOCIATION OF THE UNITED STATES

ONE MASSACHUSETTS AVENUE, NORTHWEST • WASHINGTON, D.C., 20001 • (202) 789-0031

STATEMENT BY

LIEUTENANT GENERAL LA VERN E. WEBER (RET.)

EXECUTIVE DIRECTOR

of the

NATIONAL GUARD ASSOCIATION OF THE UNITED STATES

to the

Subcommittee on Education, Training and Employment

House Veterans' Affairs Committee

21 November 1985

TESTIMONY BEFORE THE SUBCOMMITTEE ON
EDUCATION, TRAINING AND EMPLOYMENT
HOUSE VETERANS' AFFAIRS COMMITTEE

21 November 1985

Mr. Chairman and members of the subcommittee, I appreciate this opportunity to present the views of the National Guard Association of the United States on the Veterans' Educational Assistance Act of 1984 — commonly called the New G.I. Bill.

Your National Guard has never been more important to this nation than it is today. With the initiation of the Total Force Policy nearly 15 years ago, in the Summer of 1970, Guard and Reserve forces moved into a new era in terms of a role in the U.S. national strategy.

Today, the Guard and Reserve is counted upon as a full partner in the Total Force. The current national security envisions that in a moment of crisis for our country, the Army National Guard and the Air National Guard will have their units "on the line" alongside active counterparts in a matter of days after mobilization.

The Total Force Policy, which has been characterized by the phrase "increased reliance on the Guard and Reserve," is aptly illustrated in several ways. First, there is the fact that today eight of the combat divisions of the active Army contain Army Guard combat brigades and/or combat battalions within the division's peacetime structure.

Second, the U.S. Air Force cannot accomplish its peacetime mission without the active participation of the Air National Guard. In looking at a possible wartime situation, it should be remembered that 68 percent of the air defense interceptors and 70 percent of the combat communications units — to use but two illustrations -- are provided by the Air Guard.

Army and Air National Guard units are tasked in war plans developed in response to defense strategy directed by our national command authorities. In short, this nation absolutely requires a well-equipped and well-trained National Guard, if it is to be fully capable of fighting and winning in any future conflict.

In order for the National Guard to meet all of its wartime deployment objectives, it must be manned, equipped, trained and properly led. Transportation assets needed for overseas deployment of the Total Force must be available. If any of these requirements are neglected, the wartime capability and reliability of the Total Force will suffer. Increased personnel manning, an influx of new equipment, and intensified training demands are all the consequence of increased readiness requirements placed on National Guard units.

Although equipment, training and facilities are essential, the most important factor in Army and Air Guard readiness is the ability to recruit and retain the required number of qualified personnel. This will become a more difficult task as the manpower pool of the nation continues to diminish. Recruiting and retention could be further impacted by a reduction in popularity of military service among service-aged males, as indicated in a recent annual survey on youth attitudes.

At the end of FY85, the ARNG had attained a strength of approximately 441,000 and the ANG had achieved an end strength of almost 110,000.

With current programmed growth of over 22,000 in the Army Guard and almost 6,000 in the Air Guard by FY87, and continued growth through FY90, the effectiveness of recruiting and retention efforts become increasingly critical. Recent improvements in Active Services retention rates can also be expected to affect the manpower pool available to Guard and Reserve forces.

The new G.I. Bill Educational Assistance Program for the Selected Reserve should prove to be a valuable incentive for across-the-board recruitment and retention, provided several needed changes are made. Legislation has been introduced in the House to expand educational program options, including high tech training (H.R. 3115), and to revise the eligibility requirement relating to a high school diploma (H.R. 3393). The National Guard Association strongly supports each of these changes, and, in addition, urges that the program be made permanent as quickly as the test results support such action. The temporary status of any such program tends to diminish its positive effect due to the inability of an individual to make long-range plans and goals.

Although we have some concern with other provisions of the new G.I. Bill, we believe it is an excellent program and we are confident the test period will help determine if other changes would be beneficial. One provision which will require evaluation is the VA established minimum of six credit hours to be eligible for benefits at one-half the monthly full-time rate. Many members may be unable to qualify while actively participating in the Selected Reserve due to the total time demands of civilian employment, military training, and education courses. To be most effective as a retention incentive, the program should allow the member to participate while continuing his Selected Reserve affiliation.

While the new G.I. Bill will certainly be an effective over all incentive, the current Selected Reserve Incentive Program has also been extremely helpful in providing targeted incentives to recruit and retain personnel in critical skills and in specified high priority units. As with the G.I. Bill, authorization for the targeted enlistment and reenlistment bonuses should be made permanent entitlement programs in law, rather than be dependent on periodic approval of authority and annual appropriation of funds. The National Guard Association supports the Armed Services Committee proposal that the cost effectiveness and efficiency of all recruiting resources and incentive programs should be examined. Those that prove to be effective should be made permanent.

Mr. Chairman, I appreciate this opportunity to present the views of the National Guard Association on the new G.I. Bill.

We believe the program is an excellent recruiting and retention incentive, and we fully support the legislative initiatives to expand the educational options and to revise the high school eligibility requirement.

We strongly encourage making the program a permanent entitlement and may propose additional minor changes based on lessons learned during the test period.

We are grateful for your support of National Guard requirements and offer our support in helping to making the new G.I. Bill as effective as possible in achieving Army and Air National Guard manpower objectives.

NATIONAL HOME STUDY COUNCIL
1601-18th STREET, N.W. • WASHINGTON, D. C. 20009 • 202-234-5100

Office of the Executive Director

November 18, 1985

The Honorable Tom Daschle, Chairman
Subcommittee on Education, Training and Employment
Committee on Veterans' Affairs
U.S. House of Representatives
335 Cannon House Office Building
Washington, D. C. 10515

Re: Statement for Hearing, November 21, 1985
National Home Study Council

Dear Representative Daschle:

Thank you for your invitation to submit a written statement expressing our views concerning the implementation, administration and structure of the new educational assistance program, Title VII, P.L. 98-525, The New G.I. Bill. We have enclosed 75 copies of the statment for the National Home Study Council, in accordance with the rules of the Committee.

Again, we thank you for this opportunity.

Sincerely yours,

William A. Fowler
Executive Director

/ps

Enclosures

The nationally recognized professional association of home study schools—a nonprofit public service organization.

Statement of the
National Home Study Council

In support of
the inclusion of home study training
in Title VII, P.L. 98-525, The New G.I. Bill

Presented to
The U.S. House of Representatives Subcommittee
on Education, Training and Employment

Submitted by
William A. Fowler, Executive Director
National Home Study Council
1601 - 18th Street, N.W.
Washington, D. C. 20009
202-234-5100

November 21, 1985

OVERVIEW

The National Home Study Council urges the inclusion of correspondence study as an eligible training option in the All-Volunteer Force Educational Assistance Program. Currently, correspondence study is excluded from the program, much to the disadvantage of the men and women serving in our armed forces as well as the future generations of recruits. Denying our armed forces personnel of the opportunity to choose this method of education -- a method which for over a century has helped more than 70 million Americans achieve their educational goals -- is unfair, unwise, and economically foolhardy.

Correspondence study provides flexible, economical and convenient learning opportunities for adults, in a wide variety of subjects, from high tech certificate programs in computers to academic degrees in business management. Five million Americans are currently studying by correspondence.

More than one third of the active duty people who used their G.I. Bill benefits under the Vietnam-era G.I. Bill chose home study. The All-Volunteer Force Educational Program, if it is to be useful in attracting and retaining in service qualified enlistees, should surely include correspondence education.

STATEMENT - THE NATIONAL HOME STUDY COUNCIL

I am William A. Fowler, Executive Director of the National Home Study Council of Washington, D. C. I am also the Executive Secretary of the Accrediting Commission of the National Home Study Council. I have completed 25 years of service with the NHSC -- as Assistant and Associate Director for eleven years and as Executive Director since 1972.

As implementation of the New G.I. Bill is being considered, I urge that careful attention be given to this statement and to the distinguished 40 year record home study schools have achieved in helping our nation's veterans and active duty persons.

The Home Study Field

I submit this statement convinced that home study has really helped active duty personnel and veterans in the past. It is an educational method that is better understood by them and the every-day man-on-the-street than by most professional educators, legislators and regulators. It is an unusual combination of educational product and service uniquely suited to meeting the special educational needs of many individuals. Home study is used in many ways, but by and large it is the kind of education that appeals to people who can't or won't take advantage of more conventional educational methods.

Today, more than five million Americans are enrolled in home study courses.

It is estimated that since 1900 some 70 million Americans have studied by correspondence.

NHSC schools offer more than 500 different vocational and academic courses by mail. Some of the subjects are: accounting, appliance repair, automotive mechanics, business administration, electronics, microcomputer repair, robotics, telecommunications, surveying, and hundreds of others. Some unique courses not offered in resident schools are yacht design and gemology. All of these courses make use of specially written texts and quite often include practical "hands-on" training projects. Course length ranges from six months to four years. The vast majority of schools enroll and teach students entirely through the mails.

Home study schools can point to a solid record of achievement in providing valuable service to the nation and to many active duty personnel and veterans who, without the benefits of home study, would surely have been denied an opportunity for education or training. Since the founding of the first private home study school in 1890, these schools have continued to meet a need not met by "traditional" education.

More importantly, we believe that if highly qualified me and women are to be attracted to the military today -- and kept in the service -- home study training should certainly be one benefit which is offered to them.

Why? Because, historically, as the data show, home study is a popular choice of active duty people. Experience shows that successful correspondence study students make excellent military service members: motivated, disciplined, and skilled contributors to our nation. And they can study without leaving the service. Home study has been an ideal educational alternative for service persons and veterans, including:

- the homebound individuals -- who, because of society's barriers, lack of transportaion, or a handicap, cannot take advantage of local educational resources.
- the geographically isolated -- those individuals whose primary source of educational opportunity may well be the school which uses the postal system. Millions of active duty service people over the years have fit this classification.
- the busy adult -- NHSC surveys reveal that the typical home study student is in his or her mid-thirties, beyond the age when most of us receive our formal schooling. Many returning veterans, unable to devote their time to classroom study, opted to study by mail while they struggled to get re-established in society, start a family and earn a modest living while still trying to gain -- or update -- a salable civilian skill.

The National Home Study Council

The National Home Study Council, founded in 1926 under the cooperative leadership of the Carnegie Corporation of New York and the National Better Business Bureau, is usually referred to as the NHSC. It is a non-profit educational association of more than 90 accredited home study schools. Although the NHSC is nationally known and its Accrediting Commission is nationally recognized, it is relatively small when compared to most other educational associations. NHSC schools are located in 23 states and the District of Columbia. We have an assotion staff of six full-time people. The association is financed entirely by dues paid by members. While the Council is a non-profit association, it receives no financial assistance of any kind from the government.

The independent seven-member accrediting Commission of the National Home Study Council was established in 1955; shortly thereafter, it gained the approval of the U.S. Department of Education as the "nationally recognized accrediting agency" for home study schools. The Accrediting Commission includes four public members (representatives from the fields of industry, postsecondary education, business, and government), and three members from the field of home study education. Its work in accrediting academic degree programs is recognized by the U.S. Department of Education and by the Council on Postsecondary Accreditation from the associates through the masters degree levels.

Home Study and the Veteran

For the veteran or active duty person, home study has long been an accepted way of acquiring a career skill in a convenient, effective way.

During the late 1960's and early 1970's, of all active duty servicemen using their G.I. Bill benefits, over one-third of them used their benefits to enroll with a correspondence school. The barriers of time and space did not prevent these people from preparing to make a smooth re-entry into the peacetime work place. Home study was there to help them. And it did!

The publication, titled "Veterans Benefits Under Current Education Programs (IB 04-77-1)," published by the Veterans Administration, reported the following:

- More than 1.1 million veterans and service personnel have studied correspondence courses during the period 1966-1976. This represents 17.8 percent of the total of all G.I. Bill students enrolling in all types of schools.

- More than 33 percent (or 240,198) of the service personnel on active duty using G.I. Bill benefits enrolled in correspondence courses.

- The report also states: "Almost all correspondence training has been taken at schools other than colleges." In fact, 99.2 percent of the students studied with private home study schools . . . the vast majority of them with NHSC schools.

- For peacetime post-Korean veterans, more than 23 percent (324,510) of the students elected to study by correspondence. Stated the Veterans Administration: "The relatively high incidence of correspondence training among trainees who are peacetime post-Korean conflict veterans probably reflects the fact that for many of these older, more established veterans correspondence is the only type of training flexible enough to fit their more rigid family and job requirements."

As we approach another end of a century, we face new challenges as a nation: preserving our liberty by maintaining a strong defense posture. The key asset to a strong military is to have a cadre of educated, motivated, talented people. And, if we ever hope to get the best qualified people into our military -- and keep them there -- home study training must be offered as a benefit to them.

The Benefits and Advantages of Home Study

One of the central advantages of the home study method has been its flexibility. In a 1976 Veterans Administration report, Senate Committee Print No. 49 (94th Congress) entitled, "Training by Correspondence Under the G.I. Bill," it is stated:

- Correspondence training has a much lower average cost than other types of training. And correspondence training is convenient. Potential trainees, who would have to give up their job or suffer some other inconvenience to take other types of training, can often use their spare time to take correspondence training, as can many service personnel whose duties preclude other types of training. In addition, correspondence training has the attribute of less foregone earnings than other types of training because it can be taken in the trainee's spare time. It, therefore, requires no living expense subsidy in addition to tuition.

Other factors explaining the popularity of home study include:

1. Home study is one of the lowest cost types of education. In a 1976 National Center for Education Statistics (NCES) Report, "Learning a Skill Through Correspondence," it was stated: "Correspondence programs cost less, on the average, than those taken in residential schools. In 1976, the average charge for correspondence programs was $698 and $1,693 for non-correspondence programs." A similar 1978 study by NCES affirmed this difference.
2. Home study is a valid educational alternative. Numerous research studies over the past 50 years have shown that ". . . the research seems clearly to indicate that correspondence students perform just as well as, and in some cases better than, their classroom counterparts." (Source: Correspondence Study: A Summary Review of the Research and Development Literatur, by David E. Mathieson, 1970).
3. The single largest supplier of home study in the world is the U.S. military. To active duty personnel, home study training is an integral part of every career person's training portfolio. For example, the Extension Course Institute of the U.S. Air Force enrolls over 300,000 students each year. The Marine Corps Institute enrolls over 200,000 students. The U.S. Army enrolls over 300,000 students and has over 2,000 courses. Other service correspondence schools

include the Naval War College, the U.S. Coast Guard, and the National Defense University. Many of these schools have been operating for 50 years or more. The Air Force, Army, Marine Corps and Coast Guard correspondence schools are all accredited by the Accrediting Commission of the National Home Study Council. The military has identified correspondence study as one of the most cost efficient training methods available today.

4. The federal government is the single largest supplier and user of correspondence instruction in the United States. Over 2 million students were enrolled by government agency correspondence schools in 1984.

   Federal agencies with correspondence schools include the Federal Aviation Administration, the U.S. Department of Agriculture, the Department of Transportation, the U.S. Postal Service, Federal Emergency Management Administration and the Office of Personnel Management, to name just a few.

   The government has found home study to be a flexible, effective teaching method which has been proved to be both economical and "controllable" in terms of educational content and level of educational quality.

5. In a Stanford University research project entitled, Home Based Education, funded by the National Institute of Education, the following major conclusions were reached:

- The "large numbers" of students taking the wide variety of courses by correspondence "provided adequate testimony to the need for home-based (correspondence) education."

Arthur E. Goodwin is a Sergeant in the U.S. Marine Corps. He sucessfully completed 73 of the Marine Corps Institute's home study courses in one year while stationed in Beirut, Lebanon, on a very arduous and dangerous assignment. In addition to the MCI courses, he also completed four courses from the International Correspondence Schools (a civilian home study school), one from the Naval Education and Training Program Development, and one from the U.S. Army Institute for Professional Development, the Army's correspondence training activity.

Sergeant Goodwin deployed with a Marine unit to Beirut, Lebanon, in early 1983. During his deployment, he served as an instructor, teaching artillery fire direction techniques to Lebanese Army Officers; as a patrol leader for numerous foot patrols throughout the southern Beirut area; as a squadleader; and as a Sergeant of the Guard for the augmented guard force for the American Embassy in Beirut during the aftermath of the embassy's tragic bombing.

Sergeant Goodwin's outstanding training and service was recognized by the Commander of the Lebanese Army in a Certificate of Appreciation awarded him.

Here is what Sergeant Goodwin says of his home study training:

> "I have used home study courses to broaden my professional knowledge, not only in my own field of artillery, but across the Marine Corps as a whole. As a result, I have a much better understanding of how the different occupational fields are supposed to work together in accomplishing the Marine Corps' mission. This has been of great use to me in Lebanon, when the challenges were many and always changing."

Sergeant Goodwin and thousands like him deserve to have the opportunity to select the study alternative which best fits their needs.

- Correspondence instruction "is economically relatively cheap" and "it will continue to have a robust future for the rest of this century."

6. In a 1983 NHSC survey of students who earned academic degrees from five different accredited correspondence schools, the following facts emerged:

- Graduates had selected the home study method because it was the most convenient way for them (75%); respondents also said the number one strong point of the method was the flexibility of studying at one's own pace (40%).
- Eighty-two percent of the respondents said that home study was comparable to, or more difficult than, resident class instruction.
- Ninety-seven percent felt that their degree programs provided the knowledge, skills and education they were seeking.
- Ninety-one percent of the graduates felt that they had -- or will have -- the job or salary increase they were seeking as a result of earning their degree. Forty-one percent reported already having had an increase in income.
- Ninety-two percent said they felt home study was worth the effort required.
- The primary goals (73%) for seeking a degree were career/job related.
- Eighty-seven percent of the graduates felt their home study degrees were as valuable or more valuable than a resident school degree.
- Ninety-six percent said they were satisfied with their school's programs and services.

To help understand why correspondence study is important in helping maintain a strong active duty force, consider an individual who is an outstanding example of thousands of other men and women in uniform today, a Marine Corps Sergent who has completed both civilian and military correspondence courses.

SUMMARY

To summarize our position, we submit that correspondence study is:

- the least expensive method for job training requiring the least expenditure of funds.
- one of the most popular forms of education among active duty service people generally, and hence, a powerful inducement for enlistment and retention.
- a highly cost effective way to provide useful, critical skills to veterans -- as demonstrated by the heavy use of home study by the military.
- able to train thousands of service people and veterans outside the classroom.

We submit that home study education has done the nation a service by providing high quality career vocational training to over one million veterans. If anything, home study should be commended by Congress for helping to reach out and enhance the employability of veterans who might never have taken any other avenue to educational advancement and employability.

We submit that if Congress asks the students who took courses if they had benefited, the overwhelming response would be "YES."

We submit that to continue to exclude home study from the All-Volunteer Force Educational Assistance Program would, in effect, mean that underemployed or unemployed veterans, disabled or isolated veterans, and older or disadvantaged veterans, may have the door to educational opportunity closed to them in the future.

We submit that home study benefits will help attract and retain qualified people into the military.

We respectfully submit that it is in the nation's best interest that Congress encourage greater participation by active duty people in correspondence training -- the self-discipline required for success in correspondence study is an excellent companion for the self-discipline needed for success in military service.

We face a need in our society to provide our veterans and service people with more ways to obtain specific, job-related training. We must make better use of alternative forms of education like home study which are, by their nature, well-equipped to fill critical gaps in our educational system.

Home study will continue to grow in the military, in the government and in civilian circles because there will be future generations of people who won't be able to report regularly to a classroom to learn, but who, nonetheless, need and deserve the right to study on their own, wherever they wish, and on their own time schedule.

We emphatically urge that in the best interests of equity, the military services and the people in them, the opportunity to take home study training be included in Title VII, P.L. 98-525 - The New G.I. Bill.

Respectfully submitted,

William A. Fowler
Executive Director
National Home Study Council
Washington, D. C.
202-234-5100

November 21, 1985

FACTS ON CORRESPONDENCE STUDY

1. Correspondence study institutions have over a century of experience in providing 70 million Americans with educationally sound, low cost and convenient educational options.

2 Many dozens of research studies have concluded that on balance, correspondence study is as effective as, if not better than, residential instruction in similar subjects.

3. The single largest supplier of correspondence instruction in the world today is the U.S. military. Over 2 million active duty and reserve forces study military topics by correspondence. Military correspondence instruction, now in its 70th year, has been found to be the least costly way to achieve maximum training results.

4. Recognized, accredited academic degrees are available through home study in many descriptions, from engineering technology to business topics.

5. Correspondence schools provide active duty persons valuable training in skill areas of critical national value: electronics technology, computers, engineering topics, etc.

6. Correspondence training was a top choice of active duty service persons from 1966 to 1980; over one-third of the Vietnam-era persons chose correspondence as a method for study.

7. Correspondence training courses offer practical, vocational studies long used by business and industry for personnel training. The nation's economy benefits with every technician and every student trained.

8. Correspondence courses reach out to train people who are geographically isolated, homebound, or unemployed and unwilling to attend resident schools with people who are many years younger.

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DEPARTMENT OF PUBLIC INSTRUCTION

STATE OF NORTH CAROLINA RALEIGH
Education Annex I
November 25, 1985

TO: NASAA Membership (through the Regional Vice Presidents)

FROM: Bernell C. Dickinson, Chair BCD
Military Education Committee

SUBJECT: Implementing Chapter 106, Title 10 USC
for National Guard (and where possible, Selected Reserve)

During the VA/SAA workshop in St. Louis, it was suggested to me that I use North Carolina as a Bellwether and build a model for promoting and implementing the new G.I. Bill for the National Guard. This document describes my activities and is shared with you for your use as you deem appropriate.

In North Carolina (and I assume it to be so in other states), the Governor is Commander-in-Chief of the state militia which includes the National Guard.

I contacted the Governor's Senior Education Advisor and informed him of the new G.I. Bill and its potential for enhancing Guard membership, retention, and recruitment and proposed that the Governor endorse and support all implementation efforts. He requested that I put my proposal into writing and meet with him. Following the meeting he assigned his administrative assistant to work with me to proceed with all points made in the proposal.

The assistant put together a task force, and we held a meeting to plan implementation activities. That task force included:

The designee of the President of University System.
The designee of the President of Community College System.
The designee of the President of the State Association of Private Colleges and Universities.
The designee of the Secretary for Crime Control and Public Safety (the agency which administers the National Guard).
The Public Information Officer for Crime Control and Public Safety.
The Educational Services Officer for the National Guard (newly appointed!).
The SRIP Co-ordinator for the National Guard.
The Governor's Press Secretary.
The Governor's Senior Education Advisor.
The Governor's Senior Education Advisor's Administrative Assistant.
The Director of the Veterans Education Program sitting as facilitator for the task force.

Each participant was given a package containing a copy of my proposal, a workshop package which is a blank page with one of each of the nine points in my proposal at the top, a copy of PL 98-525, a copy of the DOD Directive 1322.16, a copy of DVB Circular 20-85-19, and a copy of an information package about National Guard education and strength.

I first reviewed the history of the G.I. Bill, the role of the State Approving Agency, and the contents of the package and set the objectives of the meeting as completing a plan to implement the new program using the workshop package.

We worked through each of the nine points in the proposal and each recorded the activities and time lines agreed to by the task force for each point in the proposal.

Following that meeting I have met with the individual components to give advising and assistance in implementing each of their assigned tasks.

1. Met with the Governor's Senior Education Advisor's Administrative Assistant, and we drafted the letters for the Governor's signature.

2. Met with the State Association of Colleges and Universities Articulation Committee on transfer credit and outlined the immediate need for action on endorsing the expeditious articulation between the institutions in the systems and the private institutions to accommodate the transfer credit process and acceptability.

3. Met with the National Guard Educational Services Officer and the SRIP Co-ordinator to plan the Governor's sponsored regional workshops. (The Guard will require attendance of all of their Unit Administrators, Retention NCO's, and Recruiters!).

4. Met with the Crime Control and Public Safety Public Information Officer to plan the inclusion of information in Publications and for the Press.

5. Met with the Governor's Press Secretary to plan the endorsement and support statement for the Governor and the follow-up Public Service Announcements.

6. Contacted the Presidents of the Association of Collegiate Registrars and Admissions Officers, Student Financial Aid Administrators and the Association of Co-ordinators of Veterans Affairs (certifying officials) and requested that they get out a communication to their membership supporting attendance at the regional workshops.

I have been contacted by the VACO for information on my activities. They were preparing testimony for the Chief Benefits Director to give before Congress on what outreach efforts are being made to implement the new program. I told them that I would share this model with all my colleagues for their adaptation as appropriate to their state.

I urge you to review the attached material and immediately begin your own campaign.

Attached you will find copies of everything we have prepared to this point. Needless to say, my office has done all of the drafting, typing, duplicating, mailing, and most of the telephone calls.

Please call me if I can help you in any way in doing something similar in your state. The Congress, the VA, the DOD, and the education community are watching us! Let's show them what we can do!!

----GET GOING----

BCD/fa

365A

Attachments:

Copy of:

Proposal to Governor Martin
Workshop package for the task force
North Carolina National Guard education and strength information
(for your information to guide you in acquiring your own)
Letters drafted for Governor's signature to:
- National Guard Adjutant General
- Director of VARO
- President of the Public University System
- President of the Community College System
- President of the Association of Independent Colleges and Universities
- Presidents of the Institutions

Talking paper prepared by the National Guard Educational Services Officer for meeting with the Adjutant General

Copy of letter which went to the Private Institutions from the President of the Association of Independent Colleges and Universities

Memorandum from Director of Veterans Education Program to the Chancellors and Presidents of the Education Institutions urging attendance at the regional workshops

Memorandum announcing the workshops
- Workshop Agenda
- Reservation Request to be returned to Director of Veterans Education

I am not including copies of PL 98-525, the DOD Directive, nor DVB Circular 20-85-19 as I assume you already have these.

Proposal

to

THE HONORABLE JAMES G. MARTIN,
GOVERNOR STATE OF NORTH CAROLINA

Purpose:

TO INTRODUCE A NEW EDUCATION ASSISTANCE BENEFITS PROGRAM

(Chapter 106, Title 10, USC)

to

THE NORTH CAROLINA NATIONAL GUARD

Requested by:
Bernell C. Dickinson, Director
Veterans Education Program
Education Annex I, Suite 200
Raleigh, NC 27611
Phone: 733-7535 (10/10/85)

PROLOGUE

On October 9, 1984, Public Law 98-525 was enacted by the U.S. Congress. That act provides for a new educational assistance program " .... to assist in the readjustment of members of the Armed Forces to civilian life ...." and ".... to promote and assist the All-Volunteer Force program and the Total Force Concept of the Armed Forces ...." and ".... to aid in the recruitment and retention of highly qualified personnel for both the active and reserve components ...." "[including the National Guard]" and ".... to give special emphasis to providing educational assistance benefits to aid in the retention of personnel in the Armed Forces." (Underlines mine)

Public Law 98-525 appends two existing Titles. The first is Title 38 U.S. Code, "Veterans' Benefits". This addresses the "readjustment" purpose of the new law, which is not substantially different in concept from the familiar "G.I. Bill, education assistance benefits".

The second is Title 10, U.S. Code. Public Law 98-525 provides educational assistance benefits to members of the Selected Reserve and to members of the National Guard who enlist, re-enlist or extend enlistment during the period July 1, 1985 through June 30, 1988. This addresses the "recruitment" and "retention" purposes of the new law.

This Chapter (106) represents a new concept: one which merits the attention, endorsement, and support of our Governor, the Commander-in-chief of the North Carolina National Guard.

The new law provides that a Guardsman or Reservist:

- may pursue an educational program at an Institution of Higher Learning; i.e., one that is empowered by the state to grant a degree.
- may pursue an educational program at the undergraduate level or a post-secondary vocational program offered by an Institution of Higher Learning (i.e., degree-granting).
- may pursue a program at a half-time or greater level, that is, six or more credit hours, or twelve or more clock hours per week.
- will agree to serve for a six-year period measured from July 1, 1985 or later. The officer will agree to serve for six years in addition to whatever other obligation she or he may have had on July 1, 1985 or later.
- will have completed 180 days in the Guard or Reserves and will have completed the initial active duty training (IADT).
- will be a high school graduate or will have received a high school equivalency certificate prior to the completion of the initial active duty training.

The law provides that program eligibility will be determined by the State Approving Agency for Veterans Education, that participant eligibility will be determined by the Department of Defense, acting through the commanding officer of the eligible participant, and that benefits payments will be administered through the Veterans Administration.

PURPOSE

To aid in the recruitment and retention of highly qualified personnel in the North Carolina National Guard through increased assistance in achieving higher educational levels among the troops

To get the user (student) and the provider (educational institution) together in achieving the objective stated above

PROPOSAL

I. That the Governor endorse and publicly announce the program to our currently eligible and potentially eligible North Carolina citizens

II. That the Governor, Commander-in-chief of the North Carolina National Guard, request the Adjutant General to provide opportunity for the State Approving Agency and the Veterans Administration to inform the career counselors of the provisions of the program

III. That the Governor request the Adjutant General to give immediate attention to the instituting of a joint personnel assessment with the Community College System to identify those individuals in the North Carolina National Guard who are in need of a high school diploma

IV. That the Governor request the Adjutant General to give immediate attention to institute a personnel assessment to identify those individuals who do not possess Baccalaureate Degrees or equivalent

V. That the Governor request the Adjutant General to enter into a needs assessment survey in conjunction with the Community College and University Systems (to include the private sector) to identify education and training program needs for the North Carolina National Guard

VI. That the Governor request the Adjutant General to enter into articulation with the various educational providers for action based on the needs assessment survey

VII. That the Governor request the Adjutant General to incorporate information about the program into state-wide recruiting efforts, information, and publications

VIII. That the Governor encourage articulation between the two-year and four-year educational institutions to facilitate the pursuit of Baccalaureate Degrees by holders of the two-year degrees

IX. That the Governor encourage the Presidents and Admissions Officers of eligible educational institutions to disseminate information about the new program in their local areas

SUPPORT

The State Approving Agency Director and staff can provide assistance and direction to assist the North Carolina National Guard:

- in developing and conducting a personnel assessment for the purpose of identifying those persons who lack high school diplomas or equivalency certificates who have not completed six months of Guard Service, those persons who do not hold a Baccalaureate Degree or equivalent, and those persons with a two-year degree who may pursue an undergraduate degree.
- career counselors in presenting information to the troops.
- with information as to eligible institutions and programs.
- in arrangements for classes to be taught at armories or drill sites or other sites for the convenience of the troops.
- in formulating and conducting a needs assessment survey for the purpose of identifying education and training programs needed by the North Carolina National Guard.

CALENDAR

(time lines to be agreed upon)

I. Announcement to the media by the Governor

II. Meet with Governor, Adjutant General, President of Community College System, President of University System, and a representative of the Private sector to articulate the personnel assessment and the program needs survey

III. Conduct the personnel assessment

IV. Conduct the program needs assessment

V. Set up specific briefing sessions with career counselors/training officers/recruiters

VI. Set up specific briefing sessions with the troops

Introduction of a New Education Assistance Benefits Program for the North Carolina National Guard

PROPOSAL TO GOVERNOR MARTIN

I. That the Governor endorse and publicly announce the program to our currently eligible and potentially eligible North Carolina citizens

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STATE OF NORTH CAROLINA
OFFICE OF THE GOVERNOR
RALEIGH 27611

JAMES G. MARTIN
GOVERNOR

November 12, 1985

Major General Charles E. Scott
4105 Reedy Creek Road
Raleigh, NC 27607-6410

Dear General Scott:

It has been brought to my attention that the United States Congress has provided a unique and special opportunity for us to assist and support our members in the National Guard.

Public Law 98-525 - DOD Authorization Act of 1985 - provides for education assistance benefits to aid in the recruitment and retention of highly qualified personnel for our National Guard force.

It is my intent to endorse and support all efforts to implement this new opportunity for our North Carolina National Guard. My office, in conjunction with the State Approving Agency for the Veterans Education programs and the Regional Office of the Veterans Administration is sponsoring regionalized workshops for our Unit Administrators, Retention NCO's, and Recruiters and the Admissions Officers, Financial Aid Administrators and campus-based Veterans Certifying Officials.

I am requesting that the Unit Administrators, Retention NCO's, and Recruiters be encouraged to attend one of these workshops and that the appropriate Guard personnel be available to participate in the agenda.

Further, I am requesting that a personnel assessment be conducted to identify those members who do not possess a high school diploma and those who do not possess a Bachelor's Degree. The workshops will present an excellent opportunity for our Unit Administrators, Retention NCO's, Recruiters and the Admissions Officers from the institutions to establish relationships which will bring information about education opportunities to our members.

Best personal regards.

Sincerely,

James C. Martin

JCM/eb

STATE OF NORTH CAROLINA
OFFICE OF THE GOVERNOR
RALEIGH 27611

JAMES G. MARTIN
GOVERNOR

November 12, 1985

Mr. Kenneth E. McDonald, Director
Veterans Administration Regional Office
251 North Main Street
Winston-Salem, NC 27102

Dear Mr. McDonald:

In recent weeks Public Law 98-525 - DOD Authorisation Act of 1985 - which provides for a new education assistance program to include the National Guard and Selected Reserve has been brought to my attention.

It is my intent to endorse and support all efforts to implement this new educational opportunity for our National Guard. My office, in conjunction with the State Approving Agency for the Veterans Education program is sponsoring regionalized workshops for our Unit Administrators, Retention NCO's, and Recruiters and the Admissions Officers, Financial Aid Administrators and campus-based Veterans Certifying Officials.

We are inviting you to join us as a sponsor and a presenter. The State Approving Agency will contact your office with dates and sites.

We anticipate that this opportunity will serve to establish long-term relationships and productive results for our North Carolina National Guard and their education endeavors.

Best personal regards.

Sincerely,

James G. Martin

JGM/eb

STATE OF NORTH CAROLINA
OFFICE OF THE GOVERNOR
RALEIGH 27611

JAMES G. MARTIN
GOVERNOR

November 12, 1985

Dr. William C. Friday, President
University of North Carolina
General Administration
P.O. Box 2688
Chapel Hill, NC 27514

Dear President Friday:

In recent weeks it has been brought to my attention that the United States Congress has provided a unique and special opportunity for us to assist and support our members in our National Guard in their education endeavors.

Public Law 95-525 - DOD Authorization Act of 1985 - provides for education assistance benefits to aid in the recruitment and retention of highly qualified personnel for our National Guard force.

It is my intent to endorse and support all efforts to implement this new opportunity for our North Carolina National Guard. My office is sponsoring workshops for our Unit Administrators, Retention NCO's, and Recruiters and the Admissions Officers, Financial Aid Administrators, and Veterans Certifying Officials. I am requesting that you encourage the Chancellors of your respective institutions to support attendance at these workshops.

Further, I encourage you to enter into policy discussions to facilitate transfer credit opportunities between the institutions in the Community College System and our public universities and private universities and colleges. This will become increasingly important to our members who already possess two-year degrees or who have acquired some credit in a two-year institution but will need a four-year degree in order to retain their officer status.

Best personal regards.

Sincerely,

James G. Martin

JGM/ed

STATE OF NORTH CAROLINA
OFFICE OF THE GOVERNOR
RALEIGH 27611

JAMES G. MARTIN
GOVERNOR

November 12, 1985

The Honorable Robert W. Scott
President
Community College System
Raleigh, NC 27611

Dear Governor Scott:

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James G. Martin

JGM/ed

STATE OF NORTH CAROLINA
OFFICE OF THE GOVERNOR
RALEIGH 27611

JAMES G. MARTIN
GOVERNOR

November 12, 1985

Mr. John T. Henley, President
NC Association of Independent
 Colleges and Universities
1300 Saint Mary's Street
4th Floor
Raleigh, NC 27605

Dear President Henley:

In recent weeks it has been brought to my attention that the United States Congress has provided a unique and special opportunity for us to assist and support our members in our National Guard in their education endeavors.

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JGM/ed

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OFFICE OF THE GOVERNOR
RALEIGH 27611

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GOVERNOR

November 12, 1985

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I am encouraging you to endorse and support attendance of the appropriate persons from your institution at these workshops.

We anticipate that this opportunity will serve to establish long-term and productive relationships among attendees which will have productive and positive results for our North Carolina National Guard and their education endeavors.

Best personal regards.

Sincerely,

James G. Martin

JGM/eb

AGONC-ESO

9 November 1985

TALKING PAPER

SUBJECT: The New GI Bill

1. The new Educational Assistance Program for members of the Selected Reserve was enacted into law by the Veterans Educational Assistant Act of 1984, Title VII, Public Law 98-525. The short title is "The New GI Bill", and is effective 1 July 1985 thru 30 June 1988.

2. Congress enacted the New GI Bill to encourage membership in units of the Selected Reserve. It will provide educational assistance to all qualifying officers, warrant officers and enlisted members of the Selected Reserve.

3. In an effort to make eligible and potentially eligible North Carolina Citizens more aware of the program, the Director of Veterans Education Program, Bernell C. Dickinson will introduce the attached proposal to Governor Martin. Before implementation of this proposal a joint training session for representatives of the educational institutions, a representative from each NCARNG unit and area Retention NCO's will be conducted.

4. Due to the size of the sessions and travel distance, for many participants, it is recommended that four sessions be held during the month of December. Projected locations are Hickory, Raleigh, Greenville and Wilmington.

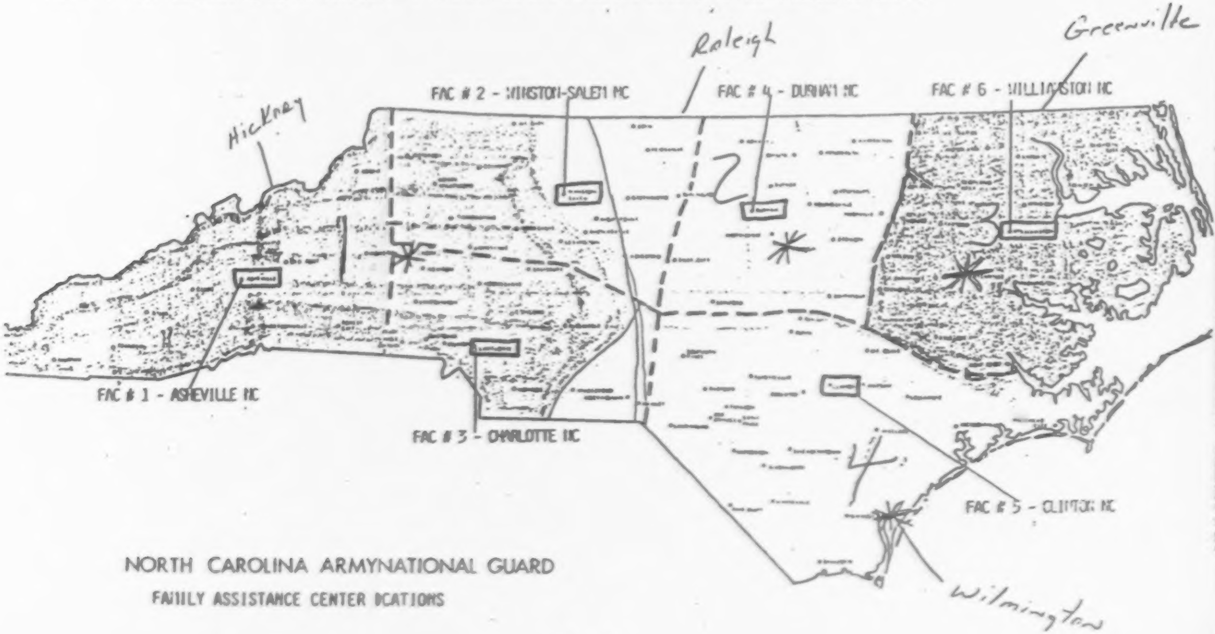
Enclosure

This is a sample computation of the payment schedule for ONE combination of Federal Student Loans. REMEMBER there are many combinations and each one must be handled individually.

1 January 1985 - PVT Win enlisted in the NCARNG and has a $2500 GSL

31 December 1985 - Service anniversary and loan anniversary. Payment is due. Payment will be 15% or $500 whichever is greater. Pvt Win goes back and obtains another $2500 GSL making the total $5000.	1st Payment $500
31 December 1986 - Service anniversary and loan anniversary. Payment is due. Payment will be 15% of $5000. Pvt Win goes back and obtains another GSL making the total $7500.	2nd Payment $750
31 December 1987 - Service anniversary and loan anniversary. Payment is due. Payment will be 15% of $7500. Pvt Win goes back and obtains another $2500 GSL making the total $10,000, which is the maximum.	3rd Payment $1125
31 December 1988 - Service anniversary and loan anniversary. Payment is due. Payment will be 15% of $10,000	4th Payment $1500
31 December 1989 - Service anniversary and loan anniversary. Payment is due. Payment will be 15% of $10,000.	5th Payment $1500
31 December 1990 - Service anniversary and loan anniversary. Payment is due. Payment will be 15% of 10,000.	6th Payment $1500

TOTAL REPAYMENT OF LOAN WILL BE $6875 plus interest.


Hickory
FAC # 2 - WINSTON-SALEM NC
Raleigh
FAC # 4 - DURHAM NC
Greenville
FAC # 6 - WILLIAMSTON NC
2
FAC # 1 - ASHEVILLE NC
FAC # 3 - CHARLOTTE NC
4
FAC # 5 - CLINTON NC
Wilmington

NORTH CAROLINA ARMYNATIONAL GUARD

FAMILY ASSISTANCE CENTER LOCATIONS

3rd Dec Hickory
5th Dec Raleigh
11th Dec Greenville
12th Dec Wilmington

North Carolina Association of
Independent Colleges and Universities

1300 St. Mary's Street • Fourth Floor • Raleigh, North Carolina • 27605 • (919) 832-5817

Atlantic Christian College
Wilson
Barber-Scotia College
Concord
Belmont Abbey College
Belmont
Bennett College
Greensboro
Brevard College
Brevard
Campbell University
Buies Creek
Catawba College
Salisbury
Chowan College
Murfreesboro
Davidson College
Davidson
Duke University
Durham
Elon College
Elon College
Gardner-Webb College
Boiling Springs
Greensboro College
Greensboro
Guilford College
Greensboro
High Point College
High Point
Johnson C. Smith University
Charlotte
Lees-McRae College
Banner Elk
Lenoir-Rhyne College
Hickory
Livingstone College
Salisbury
Louisburg College
Louisburg
Mars Hill College
Mars Hill
Meredith College
Raleigh
Methodist College
Fayetteville
Montreat-Anderson College
Montreat
Mount Olive College
Mount Olive
North Carolina Wesleyan College
Rocky Mount
Peace College
Raleigh
Pfeiffer College
Misenheimer
Queens College
Charlotte
Sacred Heart College
Belmont
St. Andrews Presbyterian College
Laurinburg
Saint Augustine's College
Raleigh
St. Mary's College
Raleigh
Salem College
Winston-Salem
Shaw University
Raleigh
Wake Forest University
Winston-Salem
Warren Wilson College
Swannanoa
Wingate College
Wingate

JOHN T. HENLEY
President

November 11, 1985

Dr. Bruce E. Whitaker
President
Chowan College
Murfreesboro, NC 27855

Dear Bruce:

I am writing to let you know of a significant new educational benefit for members of the National Guard who attend college at least half-time. This benefit, along with the Guard's recently adopted educational requirements, may create an increased demand for higher educational services by National Guard members.

Briefly, the new program provides certain Guard members payments of up to $140 per month for attending college full-time. (This benefit applies to Reserve components of the armed forces as well.) There are currently more than 10,000 Guard members in North Carolina, and many of them are serving under a deadline for achievement of certain levels of college credit. Thus your local Guard unit might have an interest in discussing cooperative possibilities with you.

We are meeting with representatives of the Veterans Administration, National Guard, and other sectors of higher education as part of an effort to create awareness of this program. We should be able to provide you soon with a list of all Guard units and the number of eligible members at each site. (If you should seek to establish an off-campus program in this regard please remember to check the Association's procedures carefully.)

Attached are the names of the persons to contact for additional information. If this type of opportunity fits with your institution's mission I hope you will make every effort to work with the Guard to help its members achieve their educational goals.

Sincerely yours,

John

John T. Henley

RECEIVED
NOV 18 1985
VET. ED. & PSS

JTH:sl
Attachment

DEPARTMENT OF PUBLIC INSTRUCTION

STATE OF NORTH CAROLINA RALEIGH

Education Annex I
November 20, 1985

MEMORANDUM

TO: Chancellors, UNC University System
Presidents, Private Universities and Colleges
Community Colleges, Technical Institutes and Colleges

FROM: Bernell C. Dickinson, Director
Veterans Education BCD

SUBJECT: - New CI Bill Workshop for National Guard

Enclosed is a memorandum addressed to the various publics of the Veterans Education Program. As I have made you aware in the past--We have a new C.I. Bill. This new bill expands entitlement and eligibility to the National Guard and Selected Reserve.

The enclosed memorandum is a call to a workshop which will bring together the three major components for the implementation and success of the new bill for the North Carolina National Guard.

We have Guard members and Reservists who have educational entitlement and eligibility as of July 1, 1985 but have here-to-fore had no mechanism or communication to bring the major purveyors together.

I, personnally, urge you to request one or more of your staff to attend one of the workshops. Our goal is to reach as many of the eligible persons as possible and, in so far as factors permit, encourage as many as possible to enter school at the beginning of your next term.

Please call me if you need more information. (919/733-7535)

BCD/fa

Enclosures

cc: Dr. Roy Carroll, UNC, GA
Mr. John T. Henley, NCAICU
Honorable Robert W. Scott, DCC

DEPARTMENT OF PUBLIC INSTRUCTION

STATE OF NORTH CAROLINA RALEIGH

Education Annex I
November 13, 1985
URGENT

MEMORANDUM

TO: North Carolina Education Institutions:
  Admissions Officers
  Financial Aid Administrators
  Veterans' Certifying Officials

North Carolina National Guard:
  Unit Administrators
  Retention NCO's
  Recruiters

Selected Reserve:
  Army
  Air Force
  Navy
  Marine
  Coast Guard

FROM: Bernell C. Dickinson, Director BCD
State Approving Agency (SAA)
Veterans Education Programs

SUBJECT: Governor's Workshop for National Guard and Selected Reserve Participation in Chapter 106, Title 10, USC, Education Assistance Benefits Program (New GI Bill)

The Honorable James G. Martin, Governor of the State of North Carolina, has issued a statement of endorsement and support of the Chapter 106 program of education assistance benefits for our National Guard and Selected Reserve. The Governor's office is sponsoring a workshop in your region to provide information and assistance in implementing this program.

Attached is an agenda which provides opportunity for the State Approving Agency, the Veterans Administration Regional Office and representatives from the National Guard to present the information necessary for us to collectively and successfully implement this program.

Attached also is a listing of the dates and sites of the workshops. We are requesting that you complete and return the reservation form by return mail but not later than November 25 in order that we may be able to plan the accommodations.

The workshops are regionalized. You may attend any of your choosing and persons from the same institution may choose to attend different workshops. The agenda will be repeated at each.

We urge your participation and look forward to meeting with you. If you need further information or assistance, please call my office in Raleigh: 919/733-7535.

BCD:fr

AGENDA

GOVERNOR'S WORKSHOP EDUCATION ASSISTANCE PROGRAM
NATIONAL GUARD AND SELECTED RESERVE

Facilitator, Edna Black
Administrative Assistant
Governor's Senior Education Advisor

9:45 - Convening of the Assembly - Opening Remarks
Edna Black

Welcome
- Governor's Office
- Host Institution
- North Carolina National Guard
- State Approving Agency
- Veterans Administration Regional Office
- North Carolina Association Co-ordinators of Veterans Affairs

10:30 - Purposes and Objectives of the Workshop
Edna Black

10:45 - The "New 3 R's" - The New GI Bill
Bernell Dickinson, Director, State Approving Agency

BREAK

11:30 - The Structure and Operation of the National Guard and Its Support for Education Pursuits
1LT Beth Austin, Educational Services Officer
SFC Allan Strickland, SRIP Manager
SSG Andy Parrish, SRIP Co-ordinator

12:45 - Lunch on your own

2:00 - Certifying Participants for Educational Assistance Benefits
Jerry Ireland, Education Liaison Representative
Veterans Administration Regional Office

2:30 - Open Forum

3:30 - Wrap up and adjourn
Bernell Dickinson
Edna Black

Reservation Request
Governor's Workshop for National Guard and Selected Reserve, Chapter 106, Education Assistance Program

TO: Bernell Dickinson, Director
Veterans' Education Program
217 West Jones Street
Education Annex I, Suite 200
Raleigh, NC 27603-1332

FROM: Institution ______________________________

City ______________________________

SUBJECT: Workshop Attendance

This institution will have (#)________ persons in attendance for the workshop x'd below:

_____ December 3, 1985, Raleigh, North Carolina
Host: Governor's Office
Archives and History Building
State Library Conference Room 211
109 East Jones Street
Raleigh, NC

_____ December 5, 1985, Hickory, North Carolina
Host: Lenoir Rhyne College
Belk Centrum Room
Daniel E. Rhyne Building
Hickory, NC

_____ December 11, 1985, Greenville, North Carolina
Host: Pitt Community College
American Legion Building
St. Andrews Drive
Greenville, NC 27834

_____ December 12, 1985, Wilmington, North Carolina
Host: University of North Carolina at Wilmington
King Auditorium
Wilmington, NC

Please complete and return by November 25, 1985. Choose any workshop convenient to your location and availability.

WRITTEN COMMITTEE QUESTIONS AND THEIR RESPONSE

CHAIRMAN DASCHLE TO R.J. VOGEL, CHIEF BENEFITS DIRECTOR, VETERANS' ADMINISTRATION

Office of the Chief
Benefits Director

Washington, D.C. 20420

Veterans
Administration

DEC 31 1985

DEC 30 1985

In Reply Refer To:
225A

Honorable Tom Daschle
Chairman, Subcommittee
on Education, Training
and Employment
Committee on Veterans'
Affairs
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

Enclosed please find the Agency's answers to the questions you submitted following the Subcommittee's hearing on November 21, 1985, on the new GI Bill.

I appreciate the opportunity to provide this information for the record.

Sincerely yours,

R. J. VOGEL
Chief Benefits Director

Enclosure

cc: 23B, 02

225A/20 JPA:jl

Q.1. We received testimony during our recent hearings stating that detailed information and necessary forms related to the Chapter 106 program have not been made available to educational institutions. Would you describe the efforts made by the VA to implement this new educational assistance program?

A.1. The following are the efforts made by the VA to implement the chapter 106 program:

On October 15, 1984, we sent a teletype to all regional offices which briefly described the chapter 106 program as well as the chapter 30 program. On May 3, 1985, regional offices were sent draft copies of a basic circular describing in detail the eligibility requirements and rates of payment for the chapter 106 program. On June 17, 1985, the final version of this publication was sent to each regional office. Also, one copy was provided each institution of higher learning. Since that date, we have sent five additional circulars to regional offices which furnish full details of processing chapter 106 claims. In addition, our regional office personnel have been meeting with or will meet with school officials to further clarify our processing procedures for chapter 106.

On April 29, 1985, we provided information to DOD (Department of Defense) on our application procedures for the chapter 106 program. The information that we sent them was included in their instructions on the chapter 106 program which DOD sent to all reserve and national guard components. Their instructions publicized and provided information to persons in the Selected Reserve on this program.

On June 28, 1985, we issued a publication that informed regional office personnel about procedures for processing chapter 106 claims. On the same date, we sent VA Form 22-8977, How to Apply Under the Selected Reserve Educational Assistance Program, to all regional offices. This form tells individuals how to apply for chapter 106 benefits. (See forms attached.)

We have prepared an application that individuals will use to apply for most VA education programs including the chapter 106 program. This proposed application was sent to OMB on November 6, 1985, for mandatory review.

We have held three conference calls with regional offices on the chapter 106 program since May 14, 1985.

Beginning November 20, 1984, we have met with DOD personnel on numerous occasions to implement this program.

HOW TO APPLY UNDER THE SELECTED RESERVE EDUCATIONAL ASSISTANCE PROGRAM
(Chapter 106, Title 10, U.S.C.)

PRIVACY ACT INFORMATION: No benefits can be authorized unless the requested information has been received (10 U.S.C. 2136(b)). This information is necessary to determine your eligibility to the benefits for which you are applying. The responses you submit may be disclosed outside the VA only if the disclosure is authorized under the Privacy Act, including the routine uses identified in the VA system of records, 58VA21/22/28, Compensation, Pension, Education and Rehabilitation Records - VA, published in the Federal Register.

GENERAL INFORMATION

1. Obtain DD Form 2384, Selected Reserve Educational Assistance Program (GI Bill) Notice of Basic Eligibility, from your National Guard or Reserve component unit. You will need to submit it with your application.

2. Use VA Form 22-8821, Application for Educational Assistance Under VEAP, since an application for the Selected Reserve Educational Assistance Program (ch. 106, title 10, U.S.C.) is not yet available. Destroy the Information and Instructions sheet, if attached, since it is inappropriate for chapter 106. Complete all items on the application form following these instructions:

   a. At the top of the application, write "Ch. 106".

   b. Skip items 10 and 11 if your only period(s) of active duty was for training purposes (such as Initial Active Duty for Training).

   c. Item 16A. If you are receiving financial assistance under an ROTC scholarship (sec. 2107, title 10, U.S.C.), check "Yes," and furnish details in item 17.

   d. Skip parts II and III (items 19A, 19B, 20A, 20B, and 20C).

3. Have the Commanding Officer of your Reserve unit complete the certification statement below.

4. Before submitting your application to the VA, be sure to attach the certification statement from your Commanding Officer and your DD Form 2384. (Your application cannot be processed without them!)

5. If you have any questions, contact the nearest VA regional office. Consult your local telephone directory under U.S. Government, Veterans Administration, for the toll-free number to call a VA representative.

COMMANDING OFFICER'S CERTIFICATION
(Under Chapter 106, Title 10, U.S.C.)

I CERTIFY that ______________________________ (Member's Name), ____________________ (Social Security No.), who is under my command, is participating satisfactorily in required training in the Selected Reserve.

NAME OF COMMANDING OFFICER:	NAME AND ADDRESS OF RESERVE UNIT:
______________________________ (Print or type name)	______________________________
______________________________ (Signature and date)	______________________________
	______________________________

VA FORM
JUN 1985 22-8977

FORM APPROVED
OMB NO. 2900-0263

Veterans Administration

APPLICATION FOR EDUCATIONAL ASSISTANCE

Under VEAP *(Chapter 32, Title 38, U.S.C.)*

1. VA FILE NO. *(If known)*

PAYEE NO. 00

2. VA OFFICE WHERE RECORDS ARE LOCATED *(If known)*

IMPORTANT: PART I - APPLICANT: Before completing this form, read the attached Information and Instructions sheet. Type or print answers in ink. If additional space is required, attach separate sheets and key answers to item numbers. If you are on active duty, Part II must be completed by your Education Services Officer and Part III by your Commanding Officer.

3. NAME OF APPLICANT *(First, middle, last)*

4. SOCIAL SECURITY NO.

5. SEX ☐ MALE ☐ FEMALE

6. MAILING ADDRESS *(Number and street or rural route, City or P.O., State and ZIP Code)*

7. DATE OF BIRTH *(Month, day, year)*

8. TELEPHONE NO. *(Include Area Code)*

9. VETERANS ADMINISTRATION BENEFITS PREVIOUSLY APPLIED FOR

☐ A. SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE *(If checked, complete 9F and 9G below)* ☐ B. DISABILITY COMPENSATION OR PENSION ☐ C. VOCATIONAL REHABILITATION ☐ D. NONE ☐ E. OTHER *(Specify)*

COMPLETE ONLY IF BOX "A" IS CHECKED

F. NAME OF PARENT

G. PARENT'S FILE NUMBER

10. SERVICE INFORMATION

NOTE: Attach copy 4 (or any other available copy) of your DD Form 214 for each completed period of active military service. Complete Items 10A through 10E for any period for which you cannot attach a DD Form 214. In all instances, you must complete Items 10F through 10I.

DATE ENTERED ACTIVE DUTY A.	DATE SEPARATED FROM ACTIVE DUTY B.	TYPE OF SEPARATION OR DISCHARGE C.	BRANCH OF SERVICE D.	GRADE OR RANK E.	F. IF YOUR SERVICE BEGAN AFTER DECEMBER 31, 1976, DID YOU ENLIST BEFORE JANUARY 1, 1977, UNDER A DELAYED ENTRY PROGRAM?
					☐ YES
					☐ NO

PRESENT MILITARY STATUS

G. ARE YOU NOW ON ACTIVE DUTY? ☐ YES ☐ NO *(If "Yes," complete Items 10H and 10I)*

H. HAVE YOU COMPLETED YOUR FIRST OBLIGATED PERIOD OF SERVICE? ☐ YES ☐ NO

I. SERVICE BRANCH

11. CONTRIBUTIONS

A. HAVE YOU CONTRIBUTED TO VEAP BY ALLOTMENTS FROM YOUR MILITARY PAY AND/OR BY LUMP-SUM CONTRIBUTION? ☐ YES ☐ NO *(If "Yes," complete Items 11B and 11C)*

B. DATE OF FIRST CONTRIBUTION BY ALLOTMENT OR LUMP-SUM CONTRIBUTION *(Month, year)*

C. DATE OF LAST CONTRIBUTION BY ALLOTMENT *(Month, year)*

D. HAVE YOU PARTICIPATED IN NONCONTRIBUTORY VEAP *(Section 903)*? ☐ YES ☐ NO

12. MILITARY EDUCATION AND TRAINING

SERVICE ACADEMIES

A. NAME OF ACADEMY

☐ USMA - WEST POINT ☐ USCGA - NEW LONDON

☐ USNA - ANNAPOLIS ☐ USAFA - COLORADO SPRINGS

B. DATES ATTENDED FROM TO

C. DEGREE RECEIVED

OTHER SERVICE SCHOOLS

D. NAME AND ADDRESS OF SCHOOLS

E. DESCRIPTION OF SUBJECTS COVERED

F. DATES ATTENDED FROM TO

G. QUALIFICATION OR RATING ATTAINED AT END OF TRAINING

CIVILIAN SCHOOL ASSIGNED AS PART OF MILITARY DUTY

H. NAME AND ADDRESS OF SCHOOL

I. DATES ATTENDED FROM TO

J. DEGREE RECEIVED

13. CIVILIAN EDUCATION *(Do not repeat education or training shown in Item 12)*

A. GIVE HIGHEST GRADE COMPLETED

B. IF YOU DID NOT GRADUATE, DO YOU HAVE A HIGH SCHOOL EQUIVALENCY DIPLOMA? ☐ YES ☐ NO

C. NAME OF COLLEGE OR OTHER SCHOOL CITY, STATE AND ZIP CODE	DATES ATTENDED		CREDIT HOURS		DEGREE OR CERTIFICATE RECEIVED	NAME OR DESCRIPTION OF COURSE
	FROM	TO	SEMESTER	QUARTER		

D. NAME OF APPRENTICESHIP OR OTHER ON-THE-JOB TRAINING COURSE

E. DATES OF TRAINING FROM TO

F. PLACE OF TRAINING

G. HAVE YOU EVER HELD A LICENSE TO PRACTICE A PROFESSION OR JOURNEYMAN RATING TO WORK AT A TRADE? *(Examples: electrician, radio operator, realtor, lawyer, CPA, bricklayer, FAA Certificate, etc.)* ☐ YES ☐ NO *(If "Yes," complete Items 13H and 13I)*

H. NAME OF LICENSE OR JOURNEYMAN RATING

I. STATE IN WHICH HELD

VA FORM OCT 1982 22-5281

SUPERSEDES VA FORM 22-5281, JUN 1978, WHICH WILL NOT BE USED.

14. NON-MILITARY DUTY *(Do not complete Items 14C and 14D if on active duty)*

A. PRINCIPAL OCCUPATION BEFORE ENTERING MILITARY SERVICE	B. NO. OF MONTHS EMPLOYED IN THAT OCCUPATION	C. PRINCIPAL OCCUPATION AFTER LEAVING MILITARY SERVICE	D. NUMBER OF MONTHS EMPLOYED IN THAT OCCUPATION

15. IF YOU WANT PROFESSIONAL COUNSELING TO HELP YOU PLAN YOUR EDUCATIONAL OR VOCATIONAL PROGRAM WRITE "YES" IN THE BOX PROVIDED AND A COUNSELING APPOINTMENT WILL BE ARRANGED. YOU WILL BE NOTIFIED OF THE TIME AND PLACE. ☐

16. PROGRAM OF EDUCATION AND ENROLLMENT INFORMATION

A. DO YOU EXPECT TO RECEIVE NON-VA EDUCATIONAL BENEFITS FROM THE ARMED FORCES OR THE PUBLIC HEALTH SERVICE DURING THIS PERIOD OF EDUCATION? ☐ YES ☐ NO *(If "Yes," furnish full details in Item 17, "Remarks")*	B. IF YOU ARE NOT ON ACTIVE DUTY AND ARE AN EMPLOYEE OF THE U.S. GOVERNMENT, DO YOU EXPECT TO RECEIVE EDUCATIONAL BENEFITS UNDER THE GOVERNMENT EMPLOYEES' TRAINING ACT DURING THIS PERIOD OF EDUCATION? ☐ YES ☐ NO *(If "Yes," furnish full details in Item 17, "Remarks")*
C. WHAT IS THE FINAL EDUCATIONAL, PROFESSIONAL OR VOCATIONAL GOAL YOU PLAN TO REACH THROUGH THE PROGRAM FOR WHICH YOU ARE APPLYING? *(Highest degree or occupation)*	D. DESCRIBE THE COURSE YOU WILL BE TAKING *(List each diploma and degree or vocational course)*

E. EDUCATION OR TRAINING WILL BE BY ☐ SCHOOL ATTENDANCE ☐ CORRESPONDENCE	F. DATE YOUR PROGRAM WILL BEGIN *(Month, day, year)*	G. NAME AND ADDRESS OF SCHOOL OR TRAINING ESTABLISHMENT

17. REMARKS

I HEREBY CERTIFY that all statements made herein are true and complete to the best of my knowledge and belief, and I herewith apply for a program of education under VEAP *(Chapter 32, Title 38, United States Code)*.

18A. DATE SIGNED	18B. SIGNATURE OF APPLICANT *(Do not print)* *SIGN HERE IN INK* ▶

PENALTY – Willfully false statements as to a material fact in a claim for education is a punishable offense and may result in the forfeiture of these or other benefits and in criminal penalties.

NOTE: PARTS II AND III MUST BE COMPLETED IF YOU ARE ON ACTIVE DUTY

PART II – ARMED FORCES EDUCATION SERVICES OFFICER'S CERTIFICATION

I certify that this individual has consulted with me regarding his or her educational program.

19A. DATE SIGNED	19B. SIGNATURE AND TITLE OF EDUCATION SERVICES OFFICER *(Branch of service)*

PART III – COMMANDING OFFICER'S CERTIFICATION OF SERVICE

I CERTIFY THAT the records of this individual, who is under my command, are correct, and I verify the accuracy and completeness of the service and type of discharge or separation shown in Items 10A through 10I and the entries in Items 12A through 12J.

AND, that of the active duty shown above, the following period(s) reflect:

- a. Fulltime assignment by a service department to a civilian school *(e.g. Operation Bootstrap)* for a course of education substantially the same as established courses for civilians;
- b. Time served under the provisions of Title 10 U.S.C., Section 511(d) *(Reserve or National Guard active duty for training)*;
- c. Non-creditable time. *(Time lost because of industrial or agricultural furlough, under arrest without aquittal, AWOL, desertion, undergoing sentence of court-martial, etc.)*

FROM *(Month, day, year)*	TO *(Month, day, year)*	SPECIFY WHETHER SCHOOLING, RESERVE, OR TIME LOST *(If none, write "NONE")*

20A. DATE	20B. SIGNATURE OF COMMANDING OFFICER OR DESIGNEE	20C. UNIT

★ U.S. G.P.O. 1984-421-488/11918

Q.2. Testimony also indicates that some VA Regional Offices have been more helpful and knowledgeable about the Chapter 106 program than other offices. What efforts are you making to ensure uniform dissemination of information to the regional offices?

A.2. During the first few months of the chapter 106 program, we became concerned about the discrepancy in the number of chapter 106 applicants and trainees among regional offices. We had sent all regional offices the same publications on this program. Therefore, we held a conference call on November 18, 1985, to discuss with regional offices the processing of chapter 106 claims and to answer any questions they raised. We stressed that all regional office personnel must become thoroughly familiar with the program.

On December 4, 1985, we informed all regional offices to ensure that each institution of higher learning in its jurisdiction had copies of VA Form 22-8977, How to Apply Under the Selected Reserve Educational Assistance Program. We indicated to regional offices that photocopying of that form was acceptable to expedite sending this form to schools.

In addition, to ensure uniform dissemination of information to the regional offices concerning chapter 106 outreach, we conducted a briefing on the subject over our national telephone conferencing network on December 10, 1985. Several of the stations with active and successful outreach programs shared their ideas with the others.

Q.3. I think it will be important to the Subcommittee, in its continuing oversight of the new GI Bill, to be able to get information which breaks down participation in the program state-by-state and service-by-service. Does the VA now have or will it later have the capability to provide that information?

A.3. We are currently working on reports that would provide the desired information. These reports should be available by the end of the year.

Q.4. When do you expect proposed Chapter 106 regulations to be published?

A.4. The Veterans Administration currently is preparing for publication in the Federal Register proposed regulations necessary for the administration by this Agency of the chapter 106 program pursuant to agreements with the Departments of Defense and Transportation. Since the regulations will be jointly issued by the three agencies involved, we intend, following approval by the Administrator, to submit them to DOD and DOT for approval. While unable to speak for those Departments in terms of the amount of time which will be required for their review of the material, we fully expect to have our completed version available for such review by February 1, 1986.

CHAIRMAN DASCHLE TO MAJ. GEN. STUART SHERMAN, DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR GUARD/RESERVE MANPOWER AND PERSONNEL

NINETY-NINTH CONGRESS
G.V. (SONNY) MONTGOMERY
CHAIRMAN
U.S. House of Representatives
COMMITTEE ON VETERANS' AFFAIRS
335 CANNON HOUSE OFFICE BUILDING
Washington, DC 20515

November 26, 1985

Major General Stuart Sherman
Deputy Assistant Secretary of Defense
for Guard/Reserve Manpower and Personnel
Room 3E325
The Pentagon
Washington, D.C. 20301-1500

Dear General Sherman:

I regret that time did not permit asking you all of the questions that the Members of the Subcommittee had planned to submit to you at the hearing of November 21, 1985, on the new GI Bill.

It will be appreciated if you will respond to these questions by December 18, 1985. The questions, together with your answers, will be made a part of the official hearing record.

1) In your statement, you indicated that for FY 86, you project 63,000 selected reservists will participate in the new GI Bill at a cost of $135 million. You further stated that you expect 97,000 participants in the incentive programs. What cost do you project for these incentive programs?

2) What directives and information regarding the implementation of the Chapter 106 program have been distributed by your office to the state and local levels?

3) What can your office do to ensure uniform distribution of information on the program?

4) Can you provide, for the record, a breakdown of current Chapter 106 participation by service?

Sincerely,

TOM DASCHLE
Chairman
Subcommittee on Education,
Training and Employment

TD:ek

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

10 DEC 1985

RESERVE AFFAIRS
(Guard/Reserve Manpower & Personnel)

Honorable Tom Daschle
Chairman, Subcommittee on Education,
  Training and Employment
Committee on Veterans' Affairs
House of Representatives
Washington, D.C. 20515

Dear Mr. Daschle:

It was a pleasure to present testimony on the New GI Bill for the Selected Reserve during the November 21, 1985 open hearing before your committee.

The following information is provided, pursuant to your November 26, 1985 letter.

1. QUESTION: What cost do you project for these incentive programs?

   ANSWER: We anticipate 97,000 participants in Selected Reserve Incentive programs for an approximate cost of $130 million (as of FY 1986 President's Budget).

2. QUESTION: What directives and information regarding the Implementation of the Chapter 106 program have been distributed by your office to the state and local levels?

   ANSWER: To ensure a timely and effective implementation of the New GI Bill, my office has accomplished the following:

   a. Issued Department of Defense Instruction 1322.17, Selected Reserve Educational Assistance Program, on June 26, 1985 (enclosed). The military services and their National Guard and Reserve components have responsibility for the implementation of the educational assistance programs and have provided information to local commanders and recruiters.

   b. Prior to the issuance of the Instruction, a news release on the new educational benefits for service members serving in the active and reserve components was issued to ensure publicity thorugh information media to service members, and the public (enclosed).

c. A presentation on the New GI Bill for the Selected Reserve was made in June 1985 to the National Association of State Approving Agencies (NASAA). These state approving agencies are authorized under chapter 36 of title 38 U.S.C., to approve and supervise programs of education offered by civilian institutions in the states to military personnel, veterans and eligible dependents.

3. QUESTION: What can your office do to ensure uniform distribution of information on the program?

ANSWER: My office monitors the implementation plans of each of the services to ensure compliance with the OSD guidelines. I believe that the aggressive approach undertaken by the leadership in the National Guard and Reserve components will allow service members to be well informed on the benefits of this new program. Regular meetings are held with the VA to discuss and resolve problem areas associated with implementation of the New GI Bill. The response to date confirms the overall effectiveness of these actions.

4. QUESTION: Can you provide, for the record, a breakdown of current Chapter 106 participation by service?

ANSWER: A breakdown of current chapter 106 participants by Service from July 1, 1985 to November 30, 1985 follows:

Service	Estimated Eligibles	Applications* to VA	% Applications to VA
ARNG	9,184	4,630 (50%)	50%
USAR	2,380	1,147 (48%)	12%
USNR	1,296	529 (41%)	6%
USMCR	88	39 (44%)	-%
ANG	4,651	2,311 (50%)	25%
USAFR	2,425	653 (27%)	7%
TOTAL	20,024	9,309 (47%)	100%

* In addition, VA has received 30 applications from members of the Coast Guard Reserve and 182 applications for which there is no file match. The total applications to VA as of November 30, 1985 were 9,521.

Sincerely,

Stuart H. Sherman, Jr.
Major General, USAF
Deputy Assistant Secretary

Enclosures

Department of Defense
INSTRUCTION

June 26, 1985
NUMBER 1322.17

ASD(RA)

SUBJECT: Selected Reserve Educational Assistance Program

Reference:
(a) Title VII Public Law 98-525, "Veterans Educational Assistance Act of 1984"
(b) Title 10, United States Code
(c) Title 38, United States Code, Chapter 30
(d) DoD Directive 1322.16, "Educational Assistance Program, 1984," March 25, 1985.
(e) DoD Instruction 7730.54, "Reserve Components Common Personnel Data System," October 26, 1981.

A. PURPOSE

This Instruction supplements reference (d) by providing specific procedures for the educational assistance program for members of the Selected Reserve authorized in Chapter 106 of reference (b) as amended by reference (a).

B. APPLICABILITY

This Instruction applies to the Office of the Secretary of Defense (OSD), the Military Departments (including their National Guard and Reserve components), the Coast Guard (by agreement with the Secretary of Transportation when the Coast Guard is not operating as a service of the Navy); and by agreement with the Administrator of Veterans' Affairs, the Veterans Administration. The term "Military Services," as used herein, refers to the Army, Navy, Air Force, Marine Corps, and Coast Guard.

C. DEFINITIONS

Basic terms used in this Instruction are defined in reference (d). Additional terms unique to the Selected Reserve Educational Assistance program are defined in Enclosure 1.

D. POLICY It is DoD policy that Selected Reserve educational assistance program benefits shall be used to encourage and sustain membership in the National Guard and Reserve components.

E. RESPONSIBILITIES:

1. The Assistant Secretary of Defense (Reserve Affairs) (ASD(RA)) shall:

a. Develop and promulgate DoD policy for the implementation of the Selected Reserve educational assistance program authorized in reference (a).

b. Establish reporting requirements for the Military Departments and ensure that all reports and data are submitted as directed.

c. Ensure that the plans by the Secretaries of the Military Departments for certifying eligibility for Selected Reserve educational assistance are adequate.

d. Prepare and coordinate the Selected Reserve section of the annual report to the Congress required by reference (d).

2. The Director, Defense Manpower Data Center (DMDC) shall·

a. Operate and maintain a data base which contains the records of all eligible reservists.

b. Provide data to the Veterans Administration on reservists whose eligibility is terminated.

c. Annually provide the number of members of the Selected Reserve entitled to educational assistance for the previous fiscal year, the amount of funds disbursed from the DoD Education Benefits Fund by the VA in payment of benefits, and utilization data for the program for each reserve component as reported to DMDC by the VA to the Office of the Assistant Secretary of Defense (Reserve Affairs).

3. The Secretaries of the Military Departments and the Commandant of the Coast Guard shall:

a. Publish regulations for the educational assistance program in accordance with the policies and procedures established in this Instruction and reference (d).

b. Provide reports in accordance with this Instruction and reference (e).

c. Ensure that only members of the Selected Reserve who are eligible for Selected Reserve educational assistance are advised of their elibility for benefits, issued a copy of DD Form 2384, (enclosure 3), and reported to the DMDC in accordance with enclosure 4.

d. Conduct appropriate publicity campaigns to assure wide dissemination of the availability of the educational assistance program.

e. Budget funds to support the entitlement program in accordance with guidance issued by the Assistant Secretary of Defense (Comptroller).

F. PROCEDURES

1. Eligibility: Criteria for award of educational assistance benefits under Chapter 106 of reference (b) are contained in Enclosure 2.

2. Benefit: Eligible individuals are authorized $140 per month for participating in a full-time program of education, $105 per month for participating in a three-quarter-time program of education, and $70 per month for participating

in a half-time program of education as defined by the Veterans Administration (VA). The maximum number of months payments may be made is 36, based upon full-time pursuit (or the equivalent based upon three-quarter or half-time pursuit). No payments may be made to participants for less than the half-time pursuit of a program of education.

3. Bar to Duplication of Educational Assistance Benefits: A member of the Selected Reserve who is eligible for benefits described in this Instruction and who is also eligible for basic educational assistance under section 1411 of reference (c) may not receive concurrent benefits but shall elect under which program to receive educational assistance in accordance with regulations prescribed by the Administrator of Veterans' Affairs. A member who is entitled to educational assistance under section 1412 of reference (c) may not receive educational assistance under this Instruction.

4. Enrollment: A member of the Selected Reserve who has satisfied the eligibility criteria contained in Enclosure 2 and has executed a Notice of Basic Eligibility (Enclosure 3) for educational assistance is enrolled and may apply for benefits to the Veterans Administration.

5. Selected Reserve Educational Assistance Program (GI Bill) Notice of Basic Eligibility (NOBE): A NOBE will be provided to each member of the Selected Reserve at the time that entitlement to educational assistance is established. The NOBE will become part of the member's official military record and a separate official copy will be given to the member. The NOBE, DD Form 2384, is contained in Enclosure 3.

6. Statement of Understanding. Under regulations prescribed by the Secretary of the Military Department concerned, the Services may publish a Statement of Understanding for service members who will become eligible for educational assistance when the program criteria specified in this Instruction are met. The Statement of Understanding may become part of the enlistment or reenlistment contract, or in the case of officers, the agreement to serve in the Selected Reserve. Statements of Understanding shall not constitute evidence of eligibility for Selected Reserve educational assistance benefits.

7. Veterans Administration. The procedures established by the Veterans Administration (VA) for service members to apply for benefits under this program are contained in Enclosure 5. It is the responsibility of the individual member enrolled in the program to apply to the Veterans Administration for benefits. Selected Reserve beneficiaries may be required periodically to validate their Selected Reserve status.

8. Termination. Eligibility for educational assistance ceases if an enrolled member of the Selected Reserve:

a. Is declared an unsatisfactory participant in required training in accordance with applicable military regulations and this Instruction or,

b. Separates from the Selected Reserve or,

c. Receives financial assistance under section 2107 of reference (b) (ROTC scholarship) or,

d. Completes a course of instruction required for the award of a baccalaureate degree or the equivalent evidence of completion of study.

9. Penalties For Unsatisfactory Participation. Members of the Selected Reserve who receive educational assistance payments under this Instruction and lose entitlement due to unsatisfactory participation may be:

a. Ordered to active duty involuntarily for up to 2 years or the period of obligated service remaining under the 6 year Selected Reserve Service Agreement, whichever is less, in accordance with applicable military regulations or,

b. Required to refund part of the educational assistance received plus accrued interest in accordance with the formula prescribed in section 2135 of reference (b) or,

c. Excused from all or part of the obligation to repay the Government in extenuating circumstances as prescribed in applicable military regulations.

Any refund made by a member under this subsection shall not affect the period of obligation of such member to serve in the Selected Reserve. The Memorandum of Understanding between the DoD and the Veterans Administration will specify responsibilities and procedures for recoupment actions.

10. Expiration of Benefit Period. A member's entitlement to educational assistance normally will expire:

a. At the end of a 10 year period of satisfactory service in the Selected Reserve beginning on the date that the member first becomes eligible to the assistance or

b. On the date the member is separated from the Selected Reserve, whichever occurs first. There are two exceptions to this rule:

(1) Members who are prevented from pursuing an educational program using the educational assistance authorized by this Instruction because of a physical or mental disability incurred or aggravated in the line of duty while performing required training in the Selected Reserve, provided that the disability is not the result of the member's own willful misconduct. The member must apply to the Veterans Administration for an extension of the 10 year period within 1 year after the last day of the 10 year period or the last day of the disability, whichever is later, in order to preserve eligibility.

(2) Members who are already enrolled in an educational institution when the period of entitlement expires. If the member is enrolled in an institution operated regularly on a quarter or semester basis and the period of entitlement will expire during a quarter or semester, the benefit period will be extended to the end of that quarter or semester. If the member is enrolled in an institution not operated regularly on a quarter or semester basis and the period of entitlement will expire after a major portion of the course is completed, the benefit period may be extended to the end of the course or for 12 weeks, whichever is less.

11. Release From The Selected Reserve. In accordance with subsection F.8., eligibility for educational assistance is terminated when a member separates from the Selected Reserve. Members who are released from the Selected Reserve for valid reasons in accordance with applicable military regulations, following a period of satisfactory service, may regain eligibility for Selected Reserve educational assistance provided:

a. Re-affiliation in the Selected Reserve occurs within 1 year except in cases involving a religious missionary obligation (where the member has up to 3 years in which to re-affilate),

b. Members are otherwise eligible for educational assistance, and

c. Have not received the maximum entitlement available.

When re-affiliation occurs, the member's entitlement to benefits will be adjusted by the amount previously awarded in accordance with VA regulations. The period of Selected Reserve service required of a member in such cases will be not less than the difference between the previous period of satisfactory Selected Reserve service performed and 6 years. The gaining unit will report the original eligibility date listed on the DD Form 2384 from the service member's official military records. Only one voluntary release from the Selected Reserve may be permitted during the 10 year benefit period for the purpose of recovering eligibility to educational assistance benefits authorized in this Instruction.

12. Funding. The Military Departments and the Coast Guard will program and budget sufficient resources for the execution of this program. Funding authorized to support the program on an accrual basis will be transferred by the Military Departments monthly to the DoD Education Benefits Fund in accordance with section 2006 of reference (b) and subsection E.2. of reference (d). The Coast Guard shall directly reimburse the Veterans Administration for program benefits disbursed to Coast Guard Reserve members.

F. Information Requirements

1. The Reserve components will provide a monthly eligibility/termination file to the DMDC in accordance with the procedures established in reference (e) and enclosure 4.

2. The Administrator of Veterans' Affairs will provide monthly information as provided for by a Memorandum of Understanding between the Department of Defense and the Veterans Administration to the DMDC.

3. The report to Congress will be forwarded not later than December 15 of each year for the previous fiscal year.

G. EFFECTIVE DATE AND IMPLEMENTATION.

This Instruction is effective immediately. Forward two copies of implementing documents to the Assistant Secretary of Defense (Reserve Affairs) within 30 days. The Selected Reserve Educational Assistance Program expires on 30 June 1988 unless extended by public law.

Assistant Secretary of Defense
(Reserve Affairs)

Enclosures - 5
1. Definitions
2. Eligibility Criteria
3. Selected Reserve Educational Assistance Program (GI Bill) Notice of Basic Eligibility (DD Form 2384)
4. Reporting Requirements
5. VA Administrative Procedures

DEFINITIONS

A glossary of basic terms related to the Veterans Educational Assistance Act of 1984 is contained in reference (c) and is incorporated by reference in this Instruction. Additional terms applicable to the Selected Reserve Educational Assistance program are defined below.

1. Annual Training (AT). The minimum period of required annual active duty for training or annual field training performed each year to satisfy the annual training requirements of the reserve components that are established in military regulations and based in law. Annual training is normally performed during one consecutive period, but may be performed in increments of at least one or more days.

2. Basic Eligibility. For the purpose of receiving benefits under Chapter 106 of Title 10 U.S.C. (reference b) as amended by reference (a), basic eligibility for award of educational assistance benefits is contingent on meeting the initial criteria established in reference (c) and Enclosure 2 of this Instruction and continued satisfactory participation in required reserve training.

3. Inactive Duty Training (IDT). An authorized and scheduled period of inactive duty training of a prescribed duration, generally of not less than 4 hours, performed with or without pay. For reserve units, a single period of IDT constitutes a unit training assembly (UTA); a double period of IDT constitutes a multiple unit training assembly (MUTA). Normally, a drill weekend is comprised of 4 UTA's usually identified as a MUTA-4.

4. Individual Mobilization Augmentees (IMA). Individual members of the Selected Reserve who participate in required reserve training while assigned to augmentation positions in active force units which they will occupy in wartime. IMAs are eligible for educational assistance provided they meet the criteria established in this Instruction.

5. Individual Ready Reserve (IRR). Individual members of the Ready Reserve who are not assigned to organized units or as individuals in the Selected Reserve and who are liable for involuntary recall to active duty in the event of national emergency or declaration of war. Members of the IRR are ineligible for benefits described in this Instruction.

6. Initial Active Duty for Training (IADT). The initial minimum period of active duty required by law to train a nonprior service enlistee in basic military skills, in accordance with regulations prescribed by the Secretary of the Military Department concerned.

7. Unsatisfactory Participation in Required Reserve Training. For the purpose of determining continuing eligibility for benefits described in this Instruction, unsatisfactory participation is defined as the accumulation of a maximum of 9 unexcused absences from inactive duty training (IDT) in a consecutive 12 month period as determined in regulations of the respective Military Department; or the unexcused absence from annual training or other required active duty for training in the Selected Reserve; or the involuntary separation from the Selected Reserve for failure to complete the service commitment required for eligibility to educational assistance.

ELIGIBILITY CRITERIA

Members of the Selected Reserve who meet the criteria established below and continue to participate satisfactorily in required reserve training are eligible for educational assistance benefits.

1. Non-Prior Service Recruits.

a. During the period 1 July 1985 through 30 June 1988, enlist for service in the Selected Reserve for a period of not less than 6 years.

b. Have received a high school diploma or high school equivalency certificate prior to completing Initial Active Duty for Training (IADT). Under regulations prescribed by the Military Departments, recruits shall furnish evidence (such as a diploma or certificate of completion) of satisfying this requirement within 60 days of the date they completed IADT.

c. Have completed Initial Active Duty for Training (IADT) as required by the Secretary of the Military Department concerned.

d. Have completed 180 days of service in the Selected Reserve computed from the date the oath of enlistment is administered.

e. Are not receiving financial assistance under section 2107 of title 10, U.S.C., as members of the Senior Reserve Officers' Training Corps program.

f. Have not completed a course of instruction required for a bachelor's degree or the equivalent evidence of completion of study.

2. Enlisted Members.

a. During the period 1 July 1985 through 30 June 1988 reenlist or extend in the Selected Reserve for a period of not less than 6 years past 1 July 1985, or the date of the reenlistment or extension, whichever is later.

b. Possess a high school diploma or equivalency certificate on the date the reenlistment or extension contract is executed.

c. Have completed 180 days service in the Selected Reserve.

d. Have completed IADT in accordance with regulations prescribed by the Secretary of the Military Department concerned.

e. Are not receiving financial assistance under section 2107 of title 10, U.S.C., as members of the Senior Reserve Officers' Training Corps Program.

f. Have not completed a course of instruction required for a bachelor's degree or the equivalent evidence of completion of study.

3. Officers and Warrant Officers.

a. During the period 1 July 1985 through 30 June 1988 agree to serve in the Selected Reserve for a period of not less than 6 years past 1 July 1985, or the date of the appointment or affiliation, or the day following the last day of any existing period of obligated service in the Selected Reserve, whichever is later.

b. Possess a high school diploma or equivalency certificate on the date the 6 year commitment in the Selected Reserve takes effect.

c. Have completed 180 days service in the Selected Reserve.

d. Are not receiving financial assistance under section 2107 of title 10, U.S.C., as members of the Senior Reserve Officers' Training Corps Program.

e. Have not completed a course of instruction required for a bachelor's degree or the equivalent evidence of completion of study.

Selected Reserve Educational Assistance Program (GI Bill) Notice of Basic Eligibility (DD Form 2384)

A. The Selected Reserve Educational Assistance Program (GI Bill) Notice of Basic Eligibility (NOBE) (DD Form 2384) is to be used to satisfy the written notice requirement established in Section 2132 of reference (b). The NOBE is issued only when a member of the Selected Reserve becomes entitled to the educational assistance benefits described in this Instruction.

B. Pending normal distribution and stockage of the DD Form 2384, May 85, the Military Departments are authorized to reproduce the form locally. Military regulations will specify that appropriate control procedures are required to prevent the unauthorized use of the form.

C. Instructions for Completion.

1. Block 1. Self-explanatory

2. Block 10. Date of Basic Eligibility. Enter the date on which the member indicated in Block 1 has met the eligibility criteria established in Block 2 of the DD Form 2384.

3. Block 11. Authentication

a. (1), (2), (3). Self-explanatory

a. (4). Enter the date on which the member acknowledged receipt of the DD Form 2384. This date may not pre-date the date shown in Block 10.

b. Witnessing Official. b. (1), (2). Military regulations will specify who may be the witnessing official.

b. (4). Enter the date that the DD Form 2384 was issued the servicemember. This date may not pre-date the date shown in Block 10.

D. A copy of the DD Form 2384, May 85 is shown on page 3-2.

SELECTED RESERVE EDUCATIONAL ASSISTANCE PROGRAM (GI BILL) NOTICE OF BASIC ELIGIBILITY

(Chapter 106, Title 10, U.S.C.)

Privacy Act Statement

AUTHORITY: 10 U.S. Code, Sections 2131, 2132, 2133, 2134, and 2135.

PRINCIPAL PURPOSE: To establish eligibility to participate in the Selected Reserve Educational Assistance Program (GI Bill).

ROUTINE USE: Information will be used as a source document indicating entitlement of each eligible member of the Selected Reserve to GI Bill Educational Assistance benefits

DISCLOSURE: Disclosure of your social security number and other personal information is voluntary. However, this form cannot be processed if requested information is not provided

1. SERVICEMEMBER

a. NAME (*Last, First, Middle Initial*)	b. SOCIAL SECURITY NUMBER	c. UNIT OF ASSIGNMENT (1) MAILING ADDRESS	(2) UIC

2. NOTICE OF BASIC ELIGIBILITY

You meet the eligibility criteria for the Selected Reserve Educational Assistance program authorized in Public Law 98-525 as follows

a. During the period July 1, 1985 through June 30, 1988, you have agreed to serve six years in the Selected Reserve. If you are an officer, your agreement to serve in the Selected Reserve for six years is in addition to any other period of obligated Selected Reserve service you are required to perform

b. You have completed 180 days service in the Selected Reserve

c. You are a high school graduate or have obtained an equivalency certificate of high school completion.

d. You have completed Initial Active Duty for Training (IADT), if required

3. INELIGIBILITY

Members of the Selected Reserve who have completed a course of instruction required for a bachelor's degree or have the equivalent evidence of completion of study, or are receiving financial assistance under Section 2107 of Title 10 U.S.C. (ROTC Scholarship) are ineligible for benefits described in Paragraph 5

4. SATISFACTORY PARTICIPATION

Your basic eligibility to educational assistance benefits depends upon your serving satisfactorily as prescribed by military regulations the complete 6-year term in the Selected Reserve. Failure to participate satisfactorily in required reserve training means you are not eligible for any benefits from the date of the unsatisfactory participation and you must notify the VA of your unsatisfactory participation. If you are an unsatisfactory participant you may be:

4. (Continued)

a. Ordered to involuntary active duty for a period of up to two years or the period of your obligated service remaining, whichever is less, or

b. Required to refund to the United States part of the money received from the Veterans Administration plus accrued interest for educational assistance under this program. Any refund you may be required to make does not affect your obligation to complete your service agreement in the Selected Reserve.

5. MONTHLY ENTITLEMENTS

You are entitled to a monthly benefit in pursuit of a program of education leading up to an undergraduate degree or the equivalent evidence of completion of study as defined by the Veterans Administration as follows:

a. $140 per month for full-time enrollment;

b. $105 per month for three-quarter-time enrollment;

c. $ 70 per month for half-time enrollment.

You are entitled to a maximum of 36 months of educational assistance based upon full-time pursuit (or the equivalent based upon three-quarters or half-time pursuit). No payment can be made for less than half-time pursuit. Benefits to which you are entitled under this program will be paid by the Veterans Administration. It is your personal responsibility to apply to the VA in order to receive benefits.

6. AUTHORIZED NON-PARTICIPATION

If you are not able to continue to serve in the Selected Reserve for a valid reason approved by your reserve component, following a period of satisfactory reserve participation, you will be ineligible for benefits for a period not to exceed: 3 years for a religious missionary obligation; 1 year for any other authorized reason.

6. (Continued)

Failure to affiliate with the Selected Reserve at the end of this period will result in permanent ineligibility to benefits. Only one approved release is permitted during the 10 year benefit period

7. EXPIRATION

Your entitlement to unused educational assistance benefits described in paragraph 5 will normally expire on the earlier of the following two dates: the 10th anniversary of eligibility to benefits if you remain a member in good standing during that period; or on the date of separation from the Selected Reserve

8. OTHER ENTITLEMENTS

If you are entitled to basic educational assistance for service on active duty under section 1411 of Title 38, United States Code, you may not receive at the same time the educational assistance benefits described in paragraph 5 of this notice. If you served at least two years on active duty after July 1, 1985 and have agreed to serve four or more years in the Selected Reserve under Section 1412 of Title 38 U.S.C., you are not eligible for the benefits described in paragraph 5. If you believe that you may be entitled to other benefits based on active duty service you should contact the Veterans Administration.

9. UNDERSTANDING

I have read and understand each of the statements above and acknowledge that they are intended to constitute official notice and certification of my eligibility for Selected Reserve educational assistance benefits.

10. DATE OF BASIC ELIGIBILITY (YYMMDD)

11. AUTHENTICATION

a. SERVICEMEMBER (1) TYPED OR PRINTED NAME (*Last, First, Middle Initial*)	(2) PAY GRADE	(3) SIGNATURE	(4) DATE SIGNED
b. WITNESSING OFFICIAL (1) TYPED OR PRINTED NAME (*Last, First, Middle Initial*)	(2) PAY GRADE	(3) SIGNATURE	(4) DATE SIGNED

DD Form 2384, MAY 85

REPORTING REQUIREMENTS FOR THE SELECTED RESERVE EDUCATIONAL ASSISTANCE PROGRAM

A. GENERAL. The reporting requirements are designed to provide the information necessary to track the life cycle of educational assistance program participants and prepare the annual report to the Congress.

B. POLICY. At the time entitlement to Selected Reserve educational assistance benefits is established, enrollment shall be reported in accordance with procedures established in this enclosure.

C. REQUIREMENT. The following report is required:

Selected Reserve Educational Assistance Program Entitlement

D. Eligibility/Termination tape will be sent to:

1. Magnetic Tape

Defense Manpower Data Center (DMDC)
ATTN: Reserve File Manager
550 Camino El Estero (Suite 200)
Monterey, CA 93940-3231

2. Points of Contact:

a. Office of the Assistant Secretary of Defense (Reserve Affairs)(ODASD(G/R M&P) (202) 695-7459

b. Army National Guard (NGB-ARP-S). Phone (202)756-1407, Autovon 225-2602
Army Reserve (DAAR-PE). Phone: (202) 697-7240; Autovon 227-7240
Navy Reserve (OP 114E). Phone: (202) 694-5935, Autovon 224-5935
Air National Guard (ANGSC/MPRR). Phone: (301) 981-6382
Air Force Reserve (AF/REPX). Phone: (202) 695-5795, Autovon 225-5795
Marine Corps Reserve (Code MPI 40). Phone: (202) 694-4115, Autovon 224-3619
Coast Guard Reserve (Res. Programs Div.). Phone: (202) 426-1603

c. Data Reporting Procedures
ATTN: Special Assistant for Reserve Affairs
Telephone: (202) 696-5848
Autovon: 221-5848

E. MAGNETIC TAPE REPORT INSTRUCTION. Pending a change to the Reserve Components Common Personnel Data System (RCCPDS), a separate magnetic tape will be forwarded by the respective reserve component. The eligibility/termination tape shall contain the following data elements:

Component

Name

Social Security Number

Reserve New GI Bill (NGIB) Eligibility Status

1. Eligible
2. Ineligible - member has not executed a 6 year contract or period of obligated service in the Selected Reserve after June 30, 1985
3. Ineligible - member has executed a 6 year contract or period of obligated service in the Selected Reserve after June 30, 1985, but has not completed initial active duty for training and 180 days of service in the Selected Reserve
4. Ineligible - member has completed a course of instruction required for a baccalaureate or equivalent degree
5. Ineligible - member did not receive a secondary school diploma (or equivalency certificate) before completion of initial active duty for training
6. Eligibility terminated - correction of erroneous report of eligibility
7. Eligibility terminated - member failed to participate satisfactorily
8. Eligibility terminated - member separated or transferred from the Selected Reserve

Reserve NGIB Benefit Recoupment Status

1. Not required
2. Required, not waived
3. Required, waived

Date of Latest Enlistment, Reenlistment, or Extension (YYMMDD)

Applicable only to enlisted personnel.

Date of Execution of a 6 year Service Obligation (YYMMDD)

Applicable only to officer personnel establishing eligibility to a Reserve NGIB benefit.

Reserve NGIB Eligibility Start Date (YYMMDD)

Reserve NGIB Eligibility Stop Date (YYMMDD)

Months of Obligated Service Remaining at Termination of Reserve NGIB Eligibility

Valid codes: 00-72

F. Data Elements to be Reported under a reissuance of DoD Instruction 7730.54, "Reserve Component Common Personnel Data System"

Reserve New GI Bill (NGIB) Eligibility Status

1. Eligible
2. Ineligble - member has not executed a 6 year contract or period of obligated service in the Selected Reserve after June 30, 1985
3. Ineligible - member has executed a 6 year contract or period of obligated service in the Selected Reserve after June 30, 1985, but not completed initial active duty for training, and 180 days of service in the Selected Reserve
4. Ineligible - member has completed a course of instruction required for a baccalaureate or equivalent degree
5. Ineligible - member did not receive a secondary school diploma (or equivalency certificate) before completion of initial active duty for training
6. Eligibility terminated - correction of erroneous report of eligibility
7. Eligibility terminated - member failed to participate satisfactorily
8. Eligibility terminated - member separated or transferred from the Selected Reserve

Reserve NGIB Benefit Recoupment Status

1. Not required
2. Required, not waived
3. Required, waived

Date of Latest Enlistment, Reenlistment, or Extension (YYMMDD)

Applicable only to enlisted personnel.

Date of Execution of a 6 year Service Obligation (YYMMDD)

Applicable only to officer personnel establishing eligibility to a Reserve NGIB benefit

Reserve NGIB Eligibility Start Date (YYMMDD)

Reserve NGIB Eligibility Stop Date (YYMMDD)

Months of Obligated Service Remaining at Termination of Reserve NGIB Eligibility

Valid codes: 00-72

Active (AGR) (NGIB) Eligibility Status (Chapter 30) (reference (c) and (d)).

01 Ineligible - member first entered on active duty prior to July 1, 1985
02 Member has not executed a declination of enrollment
03 Ineligible - after December 31, 1976, member received a commission as an officer upon graduation from a Service academy or completion of a ROTC scholarship educational assistance program
04 Member enrolled and on active duty for less than 3 years
05 Member enrolled and on active duty for 3 years or more
06 Member declined enrollment
07 Ineligible - member failed to meet minimum service requirement or separated with a characterization other than Honorable
08 Ineligible - member did not receive a secondary school diploma (or equivalency certificate) before completion of service requirement
09 Ineligible - member declined previous enrollment
10 Eligible - member's initial period of obligated active duty service was less than 3 years
11 Eligible - member's initial period of obligated active duty service was 3 years or more
12 Eligible - member has completed an initial period of active duty service of at least 2 years and has subsequently enlisted in the Selected Reserve for at least 4 years
13 Eligible - member has completed at least 2 years on active duty plus a following period of at least 4 years in the Selected Reserve

Date of Initial Entry on Active Duty (YYMMDD)

Date of Acceptance or Declination of Active NGIB Enrollment (YYMMDD)

Date of Declination of Previous Active NGIB Enrollment (YYMMDD)

Active NGIB Monthly Authorized Increase to Basic Allowance Amount (Kicker)

Active NGIB Monthly Supplemental Allowance Amount

Old GI Bill Eligibility Status

1. Eligible
2. Ineligible
3. Unknown

VA APPLICATION PROCEDURES

How to Apply Under the Selected Reserve Educational Assistance Program

1. Obtain an Application.

- Call or write the nearest VA regional office for an application. Be sure to specify the Selected Reserve Educational Assistance Program. Addresses of the VA regional offices are listed below.

- Consult your local telephone directory under U.S. Government, Veterans Administration, for the toll-free number to call to reach a VA representative.

- Obtain a Notice of Basic Eligibility, DD Form 2384, May 85, from your National Guard or Reserve Component unit.

2. Select a School and Program.

- Select a college, university, or other institution of higher learning.

- Select a program which is approved for the enrollment of veterans and eligible persons.

- Obtain information about approved programs from the VA regional office serving the area where the school is located.

3. Complete and Submit the Application.

- Complete the application. Be sure to have your commanding officer certify in the designated space.

- Send the application and your Notice of Basic Eligibility directly to the VA regional office as early as possible before you plan to enroll.

- If you have already enrolled, give the completed application and your Notice of Basic Eligibility to your school's certifying official for submission to the VA with an Enrollment Certification, VA Form 22-1999.

CHAIRMAN DASCHLE TO LT. GEN. EMMETT H. WALKER, CHIEF, NATIONAL GUARD BUREAU

NINETY-NINTH CONGRESS
G.V. (SONNY) MONTGOMERY
Chairman
U.S. House of Representatives
COMMITTEE ON VETERANS' AFFAIRS
335 CANNON HOUSE OFFICE BUILDING
Washington, DC 20515

November 26, 1985

LG Emmett H. Walker, Jr.
Chief, National Guard Bureau
The Pentagon
Room 2E-394
Washington, D.C. 20310-2500

Dear General Walker:

I regret that time did not permit asking you all of the questions that the Members of the Subcommittee had planned to submit to you at the hearing of November 21, 1985, on the new GI Bill.

It will be appreciated if you will respond to these questions by December 18, 1985. The questions, together with your answers, will be made a part of the official hearing record.

1) How did the National Guard implement this program? Is it being implemented on a state-by-state basis? How is the National Guard publicizing the new GI Bill?

2) Do you believe the Chapter 106 program will bring even more bright young people into the National Guard?

Sincerely,

TOM DASCHLE
Chairman
Subcommittee on Education,
Training and Employment

TD:ek

DEPARTMENTS OF THE ARMY AND THE AIR FORCE
NATIONAL GUARD BUREAU
WASHINGTON, D.C. 20310

December 17, 1985

Office of Policy and Liaison

Honorable Tom Daschle
Chairman, Subcommittee on Education,
  Training and Employment
Committee on Veterans Affairs
House of Representatives
Washington, D. C. 20515

Dear Mr. Chairman:

Enclosed are the National Guard Bureau answers to the questions you asked in your November 26, 1985 letter concerning the new GI Bill.

Thank you for giving us the opportunity to provide additional information regarding a subject so important to the National Guard.

We appreciate your support.

Sincerely,

Emmett H Walker

EMMETT H. WALKER, Jr.
Lieutenant General, USA
Chief, National Guard Bureau

Enclosure

ANSWERS TO ADDITIONAL QUESTIONS ASKED REGARDING NEW GI BILL

QUESTION: How did the National Guard implement this program?
ANSWER: The National Guard Bureau implemented the New GI Bill by developing a national-level management plan and detailed implementation instructions for the States. In doing so, we worked closely with Department of Defense and the Departments of the Army and the Air Force while their implementing instructions were being drafted.

Actual implementation of the New GI Bill in the National Guard began in February 1985 with the first of several news releases. These releases have continued and will continue for some time. Prior to 1 July 1985, we sent detailed implementing instructions to the States so that they would understand the necessary administrative requirements. Since the start of the program, we have continued to clarify and simplify the instructions as much as possible.

Within the Army National Guard, we have a small team at the National Guard Bureau to manage the New GI Bill and our other bonus programs at the National level. Also, each State has appointed a New GI Bill manager. The State New GI Bill manager is the focal point for all information sent to the field and serves as the expert for all our soldiers.

The Air National Guard also has two program managers at the National Guard Bureau and has made the Base Career Advisor at each air base responsible for this program.

In the Army National Guard, the State New GI Bill managers are visiting all their units to increase our soldiers knowledge of the program. Several States have established Education Managers at unit level to allow soldiers a local point of contact for their questions. The State New GI Bill managers have been contacting the Veteran's Administration Regional Office in their area and are contacting all colleges within their State. The National Guard Bureau team is conducting a series of regional New GI Bill training conferences and by April 1986 will have met with all New GI Bill managers. They have also trained the Army National Guard recruiters in several states. In January 1986, a National Guard Bureau representative will speak at the National Association of Veteran's Program Administrators Conference in Mobile, Alabama. Our State New GI Bill managers have developed aggressive programs to train all full-time members of the Army National Guard about the New GI Bill. Additionally, all members of the Army Guard are signing a "Statement of Understanding" which explains the New GI Bill.

The Air National Guard has made their Base Career Advisor responsible for monitoring this program at each base. The Career Advisor is advising all current and new members of the benefits of this program. The Air National Guard has recently completed training all recruiters and Base Career Advisors on the New GI Bill.

QUESTION. Is it being implemented on a state-by-state basis?
ANSWER: No. The New GI Bill was implemented nation-wide in the National Guard on 1 July 1985. Every State had previously received implementing instructions. Soldiers and airmen in the National Guard began signing "Statements of Understanding" at that time. The National Guard Bureau has since received reports from all States showing that they have implemented the New GI Bill.

QUESTION. How is the National Guard publicizing the New GI Bill?

ANSWER: The National Guard Bureau is publicizing the New GI Bill through provision of radio and television advertisements to radio and television stations for public service advertising, through Public Affairs releases of articles to local newspapers and printing of posters for display on unit bulletin boards, and by printing of various materials for distribution to current members and prospective recruits. Local recruiters, Base Career Advisors, and State New GI Bill managers have also seized the opportunity and developed their own advertising campaigns using flyers, letters, and local media to apprise current and potential members of the benefits of the New GI Bill.

QUESTION. Do you believe the Chapter 106 program will bring even more bright young people into the National Guard?

ANSWER: Yes. This program will make service in the National Guard even more attractive to the bright young people we need and want. The New GI Bill gives us an excellent tool with which to attract quality high school students who might not otherwise have the necessary resources to attend college. The Chapter 106 program is an ideal option for many of these young people who want to continue their education and serve their country at the same time. The New GI Bill will also provide our National Guard recruiters better access to the in-college market. With the New GI Bill as an integral part of an attractive incentive package, the National Guard will be able to penetrate more deeply into our current markets and open up new ones for top quality recruits as well. According to our recruiters, the New GI Bill is doing exactly what it was meant to do, attract and retain top notch people.

Chairman Daschle to Rear Adm. Alan D. Breed, Chief, Office of Readiness and Reserve, U.S. Coast Guard

NINETY-NINTH CONGRESS
G.V. (SONNY) MONTGOMERY
CHAIRMAN
U.S. House of Representatives
COMMITTEE ON VETERANS' AFFAIRS
335 CANNON HOUSE OFFICE BUILDING
Washington, DC 20515

November 26, 1985

Rear Admiral Alan D. Breed
Chief, Office of Readiness and Reserve
U.S. Coast Guard
2100 2nd Street, S.W. - Rm. 5101
Washington, D.C. 20593

Dear Admiral Breed:

I regret that time did not permit asking you all of the questions that the Members of the Subcommittee had planned to submit to you at the hearing of November 21, 1985, on the new GI Bill.

It will be appreciated if you will respond to these questions by December 18, 1985. the questions, together with your answers, will be made a part of the official hearing record.

1) Are there any legislative initiatives which you would like to see enacted to increase the effectiveness of the Chapter 106 program?

2) Is it more critical to the Coast Guard Reserve to recruit prior service personnel or non-prior service personnel? To which group will your marketing efforts be more forcefully directed?

3) It is my understanding that minimum entrance requirements for non-prior service personnel are particularly high for the Coast Guard active duty applicants. Is the same thing true of the Coast Guard Reserve?

Sincerely,

TOM DASCHLE
Chairman
Subcommittee on Education,
Training and Employment

TD:ek

U.S. Department
of Transportation
United States
Coast Guard

Commandant
United States Coast Guard

Washington, DC 20593
Staff Symbol (G-CC/51)
Phone (202)426-4280

5730

The Honorable Thomas A. Daschle
Chairman, Subcommittee on Education,
Training and Employment
Committee on Veterans' Affairs
House of Representatives
Washington, DC 20515

Dear Mr. Daschle:

Thank you for providing us an opportunity to further comment on the Coast Guard's Reserve accession programs and our implementation of the Reserve GI Bill. Each of your three questions will be addressed in turn.

As discussed in the Coast Guard's testimony on November 21, 1985, our sole legislative priority for the Chapter 106 program is to seek authority to participate in a benefits trust fund, thereby reducing the long-term program costs for Coast Guard members by an estimated 32 percent. We believe the most efficient method for realizing such savings is to establish for the Coast Guard an accrual fund that would be operated using the same management principles and organization now employed to oversee the DoD Education Benefits Fund. The authority for operating such a fund could be established either with technical amendments to 10 USC 2006, or the addition of a new Section 2006a. Such an arrangement would improve the cost effectiveness of benefits delivery to those members, through accrual funding and the use of DoD's existing benefit fund management capability. Specific details for this funding approach are now being explored with DoD officials. It is our intent that the proposed revision neither significantly increase DoD's staff workload nor necessitate changes to the established Education Benefits Fund management structure.

The Coast Guard also supports initiatives that broaden the types of degrees that may be pursued by eligible members using the Reserve GI Bill. We would favor including vocational/technical school programs, as well as Master's degrees. This would broaden the usefulness and appeal of the program, making it a more valuable enlistment incentive.

The Coast Guard Reserve needs to improve its recruitment of non-prior service personnel. Over the last few years, we have consistently exceeded our prior-service goals, while not meeting our goals for non-prior service accessions. A more even mix of prior-service and non-prior service accessions will enable us to more effectively provide our force with needed mobilization specialties and, at the same time, lower the average grade, age, and longevity of that force. In any event, we will still rely heavily on the experience and maturity that our prior-service personnel bring to the force. Our recruiting efforts are being directed specifically at increased numbers of non-prior service accessions, and we consider the Reserve GI Bill a major tool in that effort. A special Reserve recruiting advertising "blitz" is scheduled for the early part of 1986 in four metropolitan areas. Within this campaign, we specifically target non-prior service programs. High school and college campuses in the market areas for this campaign have been selected for special Coast Guard Reserve advertising. We believe the new GI Bill entitlement will be particularly attractive to these prospective applicants.

The standards for entrance into the Coast Guard are high, as you noted, but not uniformly higher than all the other military components. The Air Force and Marine Corps, for example, require higher scores for applicants with a GED and certain female applicants. Coast Guard Reserve applicants must meet the same enlistment standards that apply to regular service applicants. We require a minimum score of 40 on the ASVAB/AFQT for enlistment qualification. We also require a High School Education, by either diploma, GED, or certificate of completion. For those applicants with a certificate of completion, the minimum score for qualification is 50.

We hope this information will be helpful to you and the members of your subcommittee.

Sincerely,

W. T. LELAND
CAPTAIN, U.S. COAST GUARD
CHIEF, CONGRESSIONAL AFFAIRS STAFF

CHAIRMAN DASCHLE TO ADM. CECIL J. KEMPF, DIRECTOR, NAVAL RESERVE, U.S. NAVY

NINETY-NINTH CONGRESS
G.V. (SONNY) MONTGOMERY
CHAIRMAN
U.S. House of Representatives
COMMITTEE ON VETERANS' AFFAIRS
335 CANNON HOUSE OFFICE BUILDING
Washington, DC 20515

November 26, 1985

Admiral Cecil J. Kempf
Director
Naval Reserve
Navy Department, OP 09R
Washington, D.C. 20350

Dear Admiral Kempf:

I regret that time did not permit asking you all of the questions that the Members of the Subcommittee had planned to submit to you at the hearing of November 21, 1985, on the new GI Bill.

It will be appreciated if you will respond to these questions by December 18, 1985. The questions, together with your answers, will be made a part of the official hearing record.

1) Are you maintaining records and statistics so that next year's comparisons can be made between retention and recruit quality before and after the implementation of the new GI Bill?

2) Do you know how many Naval reservists are now enrolled in the Chapter 106 program? What percentage is that of those eligible?

3) The Subcommittee has heard that there is some confusion in the field about the benefits available under this new program. What efforts have been made in your office to ensure the uniform distribution of information regarding the new GI Bill to all Naval Reserve units?

Sincerely,

TOM DASCHLE
Chairman
Subcommittee on Education,
Training and Employment

TD:ek

INSERT FOR THE RECORD

☐	HOUSE	APPROPRIATIONS COMMITTEE	☒	HOUSE	ARMED SERVICES COMMITTEE	☐	HOUSE	OTHER
☐	SENATE		☐	SENATE		☐	SENATE	
HEARING DATE 21 Nov 85	TRANSCRIPT PAGE NO.		LINE NO.		INSERT NO.			

RECORDS AND STATISTICS

Chairman Daschle: Are you maintaining records and statistics so that next year's comparisons can be made between retention and recruit quality before and after the implementation of the new GI Bill?

Admiral Kempf: We will be able to make comparisons of the quality of new non-prior service accessions before and after the new GI Bill. It will be several years before we can assess the GI Bill's full impact on retention. However, we will be able to make some assessment of the program's impact on retention since we will have data on the number and percent of individuals who re-enlist for six years, the threshhold for Selected Reserve entitlements.

SELECTED RESERVE PARTICIPATION

Chairman Daschle: Do you know how many Reservists are now enrolled in the Chapter 106 program? What percentage is that of those eligible?

Admiral Kempf: As of 6 November 1985 there were 1525 eligible Naval Reservists. Of this number 389, 26 percent, have enrolled in educational programs and applied for benefits under Chapter 106.

INSERT FOR THE RECORD

☐	HOUSE	APPROPRIATIONS COMMITTEE	☒	HOUSE	ARMED SERVICES COMMITTEE	☐	HOUSE	OTHER
☐	SENATE		☐	SENATE		☐	SENATE	

HEARING DATE 21 Nov 85	TRANSCRIPT PAGE NO.	LINE NO.	INSERT NO.	

NEW GI BILL INFORMATION

Chairman Daschle: The Subcommittee has heard that there is some confusion in the field about the benefits available under this new program. What efforts have been made in your office to ensure the uniform distribution of information regarding the new GI Bill to all Naval Reserve units?

Admiral Kempf: The Naval Reserve has taken aggressive action to publicize the new GI Bill. We were involved in the development and distribution of the governing Navy instruction to all Reserve Recruiting Readiness Commands as well as the Reserve Recruiting Force. In addition, we have issued several messages publicizing this benefit program. Our ALLNAVRES message distribution system insures that every Reserve facility and activity has adequate information on items of general military interest. That distribution system is being used extensively to publicize the Selected Reserve entitlements under the new GI Bill.

We have advertised in our Navy News program which distributes information to all active force units and have featured the new GI Bill in The Naval Reservist, a newspaper which goes to all Navy Ready Reservists. We have secured the cooperation of the Naval Reserve Association, the Reserve Officers Association, and the Naval Enlisted Reserve Association to put information on the new GI Bill in their publications. We used a mailer to almost two million individuals, potentional Naval Reserve recruits, which emphasizes the new GI Bill as one of four major factors they should consider in joining the Naval Reserve. We have released information to Navy-wide publications and information sources such as, All Hands, Armed Forces Press Service, Approach, The Officer, The Mariner, Naval Affairs, Naval Aviation News, Navy Times, and the Naval Institute Proceedings.

In addition to the above efforts, we have designated staff personnel in Washington, the Naval Reserve Headquarters in New Orleans, and at our Regional Readiness Commands and Air Sites to answer questions on the administration of the program and its application in the field.

In the near future we plan a mailing to each member of the Ready Reserve, which includes all Selected Reservists and Individual Ready Reserve members, defining the new GI Bill, its criteria and benefits. I believe these actions will ensure each Selected Reservist will be informed fully on these excellent educational opportunities.

Chairman Daschle to Maj. Gen. Sloan R. Gill, Chief, Air Force Reserve

NINETY-NINTH CONGRESS
G.V. (SONNY) MONTGOMERY
U.S. House of Representatives
COMMITTEE ON VETERANS' AFFAIRS
335 CANNON HOUSE OFFICE BUILDING
Washington, DC 20515

November 26, 1985

Major General Sloan R. Gill
Chief, Air Force Reserve
Room 5C916
The Pentagon
Washington, D.C. 20330-5440

Dear General Gill:

I regret that time did not permit asking you all of the questions that the Members of the Subcommittee had planned to submit to you at the hearing of November 21, 1985, on the new GI Bill.

It will be appreciated if you will respond to these questions by December 18, 1985. the questions, together with your answers, will be made a part of the official hearing record.

1) What efforts have the Air Force Reserve made to contact junior college and high school students regarding the benefits available to them under the new GI Bill?

2) You noted that it is too early to ascertain the impact of the new GI Bill as a retention incentive. Because the bill is structured so that benefits must be used while the reservist is a satisfactory performer, doesn't common sense indicate that it will enhance retention?

3) What comments have Air Force recruiters made about the new GI Bill?

4) Of the 1,746 Airmen Reservists who meet all requirements for participation in the new GI Bill, how many are now participating?

5) Do you believe the availability of GI Bill benefits will enhance the quality of Air Force Reserve recruits?

Sincerely,

TOM DASCHLE
Chairman
Subcommittee on Education,
Training and Employment

TD:ek

INSERT FOR THE RECORD

☐	HOUSE SENATE	APPROPRIATIONS COMMITTEE	☐	HOUSE SENATE	ARMED SERVICES COMMITTEE	☒	HOUSE SENATE	OTHER Veterans' Affairs

HEARING DATE	TRANSCRIPT PAGE NO.	LINE NO.	INSERT NO.	
21 Nov 85	(NA) Post Hearing	questions		

Implementation of New GI Bill; Effect on Selected Reserves

Congressman Daschle: What efforts have the Air Force Reserve made to contact junior college and high school students regarding the benefits available to them under the new GI Bill?

General Gill: In September 1985, a GI Bill advertisement flyer was mailed to 350,000 graduating seniors. To date, over 3,500 leads have been generated from this effort. The cost was $16,750. Also, a one time run in approximately 1,500 US suburban press newspapers during the last week of September has generated over 1,600 leads for us. The cost was $26,628. In mid-December, a flyer advertising the GI Bill will be sent to 280,000 junior college students. The cost will be $12,000. In December, January and February, local newspapers will advertise the Reserve GI Bill in the Montgomery, Alabama area. The cost will be $6,060. Additionally, in March 1986, two initiatives are planned to advertise the Reserve GI Bill. One will target 250,000 college drop-outs. The cost will be $12,900. The other is a direct mail-out to over 255,000 vocational and technical school graduates. The cost will be $12,500. To date, we have spent $86,838 on GI Bill advertisement.

Congressman Daschle: You noted that it is too early to ascertain the impact of the new GI Bill as a retention incentive. Because the bill is structured so that benefits must be used while the reservist is a satisfactory performer, doesn't common sense indicate that it will enhance retention?

Answer: While the member is receiving benefits from the VA, retention should be enhanced since benefits are contingent upon satisfactory participation in the Selected Reserve. However, after the member completes the baccalaureate degree or exhausts benefits, continued participation during the term of enlistment is enhanced by aggressive recoupment procedures.

INSERT FOR THE RECORD

☐ HOUSE ☐ SENATE	APPROPRIATIONS COMMITTEE	☐ HOUSE ☐ SENATE	ARMED SERVICES COMMITTEE	☒ HOUSE ☐ SENATE	OTHER Veterans' Affairs
HEARING DATE 21 Nov 85	TRANSCRIPT PAGE NO. (NA) Post Hearing	LINE NO. Questions	INSERT NO.		

Implementation of New GI Bill; Effect on Selected Reserves

Congressman Daschle: What comments have Air Force recruiters made about the new GI Bill?

General Gill: I have queried my recruiting force on this topic and have distilled the following comments: (1) "It should be very helpful to us", (2) "It will be particularly helpful for our non-prior service recruits, which constitute about 23% of our enlisted accessions, since they will not have already used GI Bill benefits or gained educational benefits under the Veterans' Educational Assistance Program (VEAP) as many prior service recruits have." and (3) "It is still too early to determine how much it will aid recruiting efforts." Generally, however, responses have been very positive.

Congressman Daschle: Of the 1,746 airman Reservists who meet all requirements for participation in the new GI Bill, how many are now particpating?

General Gill: The formal mechanism to track those who actually apply to the VA, enroll in school and receive benefits is in place but, it is possible for a reservist to qualify for the GI Bill but wait several months before enrolling in an approved program or even never enroll in such a program. As of 30 Nov 85,653 Air Force Reservists had applied to VA for benefits.

Congressman Daschle: Do you believe the availability of GI Bill benefits will enhance the quality of Air Force Reserve recruits?

General Gill: We already have high quality recruits. In FY 85, 99% of our recruits had an education level of high school diploma or equivalent. However, insofar as the Reserve GI Bill will attract bright, ambitious people, the answer is yes.

Chairman Daschle to Maj. Gen. Louis H. Buehl, U.S. Marine Corps

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MACK FLEMING
CHIEF COUNSEL AND STAFF DIRECTOR

NINETY-NINTH CONGRESS
G.V. (SONNY) MONTGOMERY
CHAIRMAN

U.S. House of Representatives
COMMITTEE ON VETERANS' AFFAIRS
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Washington, DC 20515

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GUY V. MOLINARI, NEW YORK
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WILLIAM M. HENDON, NORTH CAROLINA
JOHN G. ROWLAND, CONNECTICUT

November 26, 1985

MG Louis H. Buehl
Deputy Chief of Staff
Reserve Affairs
Headquarters, U.S. Marine Corps
Washington, D.C. 20380-0001

Dear General Buehl:

I regret that time did not permit asking you all of the questions that the Members of the Subcommittee had planned to submit to you at the hearing of November 21, 1985, on the new GI Bill.

It will be appreciated if you will respond to these questions by December 18, 1985. The questions, together with your answers, will be made a part of the official hearing record.

1) Are Marine Corps recruiters enthusiastic about the new GI Bill? Do they believe it will help them to do their job?

2) Can you see any trends yet that would indicate that the Chapter 106 program is bringing in higher quality recruits or improving retention rates?

3) What are you doing to ensure that the program is being properly implemented on the local level?

Sincerely,

TOM DASCHLE
Chairman
Subcommittee on Education,
Training and Employment

TD:ek

INSERT FOR THE RECORD

☐	HOUSE	APPROPRIATIONS COMMITTEE	☐	HOUSE	ARMED SERVICES COMMITTEE	X	HOUSE	OTHER
☐	SENATE		☐	SENATE		☐	SENATE	Veterans' Affairs

HEARING DATE	TRANSCRIPT PAGE NO.	LINE NO.	INSERT NO.	
21 Nov 85				

[classification]

MR. DASCHLE: Are Marine Corps recruiters enthusiastic about the new GI Bill? Do they believe it will help them to do their job?

GENERAL BUEHL: Marine Corps recruiters are enthusiastic about the new GI Bill. With our increased emphasis on the Mental Group I-IIIA'S, and this market being more disposed to go to college, any educational opportunity program will assist in our ability to recruit.

MR DASCHLE: Can you see any trends yet that/the Chapter 106 program is bringing in higher quality recruits or improving retention rates?

GENERAL BUEHL: We cannot comment on higher retention rates. The Commandant tasked the Recruiting Service to contract 63% Mental Group I-IIIA'S and 95% traditional high school graduates. At this time, we are on track in enlisting into the Marine Corps the quality men and women, reserve and regular, that we need.

MR. DASCHLE: What are you doing to ensure that the program is being properly implemented on the local level?

GENERAL BUEHL: Marines, upon their assignment to recruiting duty attend the Recruiters School at the Marine Corps Recruit Depot, San Diego, California. Students are taught and evaluated in role plays in areas such as recruiting procedures, methodology, selling and communications skills, and product knowledge. Included in the product knowledge is instruction in education programs and opportunities.

While in the field, the recruiters are instructed in new programs, evaluated in their duties, including product knowledge, and supervised on a frequent basis by their commanders and noncommissioned officers in charge.

Recruiting brochures, mailed to men and women of enlistment age, and advertisements in the media assist in the public awareness of the new GI Bill.

DO NOT TYPE BEYOND THE BLUE LINES TOP BOTTOM OR SIDES

CHAIRMAN DASCHLE TO MAJ. GEN. WILLIAM R. BERKMAN, CHIEF, U.S. ARMY RESERVE

NINETY-NINTH CONGRESS
G.V. (SONNY) MONTGOMERY
Chairman
U.S. House of Representatives
COMMITTEE ON VETERANS' AFFAIRS
335 CANNON HOUSE OFFICE BUILDING
Washington, DC 20515

November 26, 1985

MG William R. Berkman
Chief, Army Reserve
The Pentagon
Room 3E-390
Washington, D.C. 20310-2440

Dear General Berkman:

I regret that time did not permit asking you all of the questions that the Members of the Subcommittee had planned to submit to you at the hearing of November 21, 1985, on the new GI Bill.

It will be appreciated if you will respond to these questions by December 18, 1985. The questions, together with your answers, will be made a part of the official hearing record.

1) What is your office doing to ensure that every Army Reserve unit is fully informed about the new GI Bill?

2) The active Army force has already seen an improvement in the quality of new enlistees since the July 1 start-up date of the Chatper 30 program. Do Army Reserve statistics reflect the same trend?

3) What specific actions are being taken by the Army Reserves to advertise the benefits available under the new GI Bill?

Sincerely,

TOM DASCHLE
Chairman
Subcommittee on Education,
Training and Employment

TD:ek

DEPARTMENT OF THE ARMY
OFFICE OF THE CHIEF, ARMY RESERVE
WASHINGTON, D.C 20310

REPLY TO
ATTENTION OF

DAAR-ZA

19 DEC 1985

Honorable Tom Daschle
Chairman
Subcommittee on Education,
Training and Employment
U. S. House of Representatives
335 Cannon House Office Building
Washington, D. C. 20515

Dear Congressman Daschle:

The answers to your inquiry of November 26, 1985 are attached as Enclosures 1 through 3. I trust this information will be helpful to your subcommittee and I thank you again foryour support of our reserve forces.

William R. Berkman

Enclosures

WILLIAM R. BERKMAN
Major General, U. S. Army
Chief, Army Reserve

QUESTION 1

What is your office doing to ensure that every Army Reserve unit is fully informed about the New GI Bill?

ANSWER

To ensure that every Army Reserve unit is fully informed about the New GI Bill, messages and letters have been sent to commanders, recruiters, and retention personnel. Local training has been conducted to ensure that recruiting and retention professionals can use the New GI Bill to encourage membership in the Selected Reserve. The Army has published and distributed implementing directives to all Army Reserve units on the New GI Bill.

QUESTION 2

The active Army force has already seen an improvement in the quality of new enlistees since the July 1 start-up date of the Chapter 30 program. Do Army Reserve statistics reflect the same trend?

ANSWER

A number of improvements have been seen in both the number and quality of enlistments between the fourth quarters of Fiscal Years 84 and 85. They include a 24 percent increase in non-prior service enlistments and a 29 percent increase in male high school graduate enlistments. The most important change was a large increase in the number of non-prior service applicants electing a full six years of Selected Reserve service on enlistment in the Army Reserve. During the fourth quarter of Fiscal Year 84 only 43.8 percent of new soldiers took six or more years of unit duty. Most elected only three years of unit service. In the fourth quarter of Fiscal Year 85, 75.7 percent contracted for at least six years of unit duty, the minimum required to qualify to receive the New GI Bill.

QUESTION 1

What specific actions are being taken by the Army Reserve to advertise the benefits available under the New GI BiLL?

ANSWER

Actions taken to advertise the benefits available under the New GI Bill include a regulatory requirement that all members of the Selected Reserve complete a statement of understanding which explains eligibility requirements and entitlements. This form is a matter of record in all members' official military records. Articles have been published in Army Reserve periodicals which are sent to over a half-million members of the Army Reserve. To date, the United States Army Recruiting Command has sent approximately $6.5 million direct mail advertising letters to high school students, college students, former Army members, and members of the work force outlining the benefits of the New GI Bill and Selected Reserve Service.

Chairman Daschle to S. Sgt. Nathan Warnock, Recruiting Service, U.S. Army

[illegible]

NINETY-NINTH CONGRESS

G.V. (SONNY) MONTGOMERY
CHAIRMAN

U.S. House of Representatives
COMMITTEE ON VETERANS' AFFAIRS
335 CANNON HOUSE OFFICE BUILDING
Washington, DC 20515

[illegible]

November 13, 1985

SSGT Nathan Warnock
Army Recruiting Station Commander
East 92nd Street Station
Chicago, IL 60619

Dear Sgt. Warnock:

The Subcommittee on Education, Training and Employment has scheduled an oversight hearing to review the implementation of the new GI Bill, contained in Title VII of Public Law 98-525. The hearing will be held on Tuesday, November 19, 1985, at 10:00 a.m., in room 334 Cannon House Office Building.

This is to invite you to testify at this hearing to present your views regarding your evaluation of this new educational assistance program as a recuitment tool.

The rules of the Committee require that 75 copies of your testimony be provided to the Committee Clerk 48 hours in advance of the hearing.

Sincerely,

Tom Daschle

TOM DASCHLE
Chairman
Subcommittee on Education,
Training and Employment

TD:ek

INSERT FOR THE RECORD

☐	HOUSE	APPROPRIATIONS COMMITTEE	☐	HOUSE	ARMED SERVICES COMMITTEE	X	HOUSE	OTHER
☐	SENATE		☐	SENATE		☐	SENATE	Veterans Affairs

HEARING DATE 19 Nov 85	TRANSCRIPT PAGE NO.	LINE NO.	INSERT NO.	

GI BILL

Mr. Daschle. When we were developing this new educational assistance program, panels of recruiters testified that if we gave them a GI Bill, they could bring in the high quality young people we all want in our armed forces. Now that you've got it, is the GI Bill an effective recruitment tool? How does it compare to VEAP as an enlistment incentive?

Staff Sergeant Warnock. Yes. The New GI Bill gives several options that VEAP didn't give:

a. Applicant contribution under New GI Bill is less; $1200.00 compared to VEAP which is $2700.00.

b. The return on investment is greater; VEAP you give $2700.00 and receive only $8100.00 in educational benefits.

c. The VEAP was a volunteer program, which you could join at anytime during your enlistment. The new GI Bill enrollment is made at the time of enlistment. You cannot elect to participate at a later date if you had not done so at the time of enlistment.

I believe that the new GI Bill is a much more productive program. It allows anyone who wants an education, but can't afford one the opportunity to get that education. The GI Bill opened doors to a larger market of people.

Mr. Daschle. What kind of training and information regarding the new GI Bill were you given after it was enacted last year?

Staff Sergeant Warnock. The program was not implemented until July 1985. In March of 1985, we were given pamphlets on the New GI Bill and were told to read them in order to fully understand the new program. Classes at company training and battalion training were given on the new GI Bill prior to implementation.

Mr. Daschle. Do you feel that you understand the program and can fully explain its structure and benefits to potential recruits?

Staff Sergeant Warnock. Absolutely, the program is easier to understand, less complex than the VEAP, and people seem to grasp the new GI Bill better than the VEAP. This is related to the old GI Bill which everyone still remembers.

Mr. Daschle. Do you think that when young people leave your recruiting station they understand the benefits available to them under the new GI Bill?

Staff Sergeant Warnock. Yes. The young people understand this program a lot better than the VEAP. This I believe again is related to the old GI Bill. The old GI Bill that Mom and Dad remember, is also the program that worked for Mom and Dad. This helps the recruiter with selling Mom and Dad on letting their sons and daughters enlist.

INSERT FOR THE RECORD

☐ HOUSE ☐ SENATE	APPROPRIATIONS COMMITTEE	☐ HOUSE ☐ SENATE	ARMED SERVICES COMMITTEE	☐ HOUSE ☐ SENATE	OTHER Veterans Affairs
HEARING DATE 19 Nov 85	TRANSCRIPT PAGE NO.	LINE NO.	INSERT NO.		

GI BILL

Mr. Daschle. What are the characteristics of the young people who are most interested in GI Bill benefits?

Staff Sergeant Warnock. Most of the people who come in seeking educational benefits are those people who know the value of an education; career oriented personnel. We have a larger number of professional personnel enlisting for the new GI Bill; nurses, teachers, firemen and I have even put a banker in for the new GI Bill.

Mr. Daschle. Do you visit high schools in your area advising counselors and other personnel of the establishment of a new GI Bill?

Staff Sergeant Warnock. Yes. The policy in my station is that each recruiter visit his or her school at least two times a month. We have Center of Influence functions once a quarter, where we invite counselors and teachers to luncheons and give them a brief class on our new GI Bill.

I feel that without education incentives we will be forced to give up our hopes for a brighter force and better educated people in our Armed Forces. This I feel will put us in a position where we will have to do away with the all volunteer Army and bring back the draft.